



# REFORMING LAND RELATIONS IN MONGOLIA

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CITIZEN'S GUIDE

ULAANBAATAR  
2004

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## OPEN SOCIETY FORUM

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## Preface

Land issues concern all citizens of Mongolia and are becoming increasingly relevant for foreigners and foreign legal entities. In order to understand better the nature and implications of current land reforms, we prepared this guidebook. In it we offer a comprehensive description of all aspects of land relations concerning ownership, possession and use.

Since the current government land policies are quite different from previous policies, we include an overview of the various land reform initiatives starting with the enactment of the new Constitution in 1992. As this declared that *“the economy of Mongolia shall be based on different forms of property and shall take into account universal trends of world economic development and national specifics”*, the need for land reforms arose. Accordingly, one whole article concerning land relations was inserted into the Constitution providing that *“the State may give for private ownership plots of land except pastures and areas under public and special use, only to the citizens of Mongolia.”* This has since become the legal basis for amending the Law on Land, enacting the Law on the Allocation of Land to Citizens of Mongolia for Ownership and otherwise providing for the comprehensive reform of land relations in Mongolia.

The reform of land tenure has not been uncontroversial and it would be fair to say that these reforms have proceeded via a combination of struggle, dispute and consensus building. It was not until 2002, a full ten years after the enactment of the Constitution, that the Law on Land and the Law on the Allocation of Land to Citizens of Mongolia for Ownership was finally enacted.

As stipulated in the National Development Concept of Mongolia, *“...Land is an insurance for independence and a source of development....”* Thus, in our view, it is critically important that every citizen who deals with land has a proper understanding of the current nature of land reform.

We would like to thank the Open Society Forum of Mongolian Foundation for Open Society (Soros Foundation) for commissioning this Citizens' Guide. We are also grateful to Mr. Ch.Gombosuren, departmental head of the Administration of Land Affairs, Geodesy and Cartography, and Mr. D. Batjargal, teacher from the Press Institute who provided us with invaluable advice in the production of this guidebook. As legal instruments concerning land reform are frequently amended, please note that the information herein is based on the law in force as of December 1, 2003.

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## Policies for reforming land relations and the process of implementation

At the end of the 1980s, the worldwide socialist system faced its biggest crisis. By the beginning of the following decade, many of the former planned economies had embarked upon fundamental political, social and economic reforms. This demand for change was felt in the People's Republic of Mongolia where, up until then, the public administration had rejected the introduction of a mixed economy consisting of different forms of property. Restructuring touched all

fields and there were strong calls for the land question to be dealt with as a part of this process. The initial approach was to follow the constitutional path. As B. Chimed concluded in his overview on the 1992 Constitution,



*“The new Constitution made a historical turn in the lives of the Mongolian people and opened the door to strengthen independence and sovereignty and to develop under the mission of building democratic civil society in our motherland”*

The 1992 Constitution not only provided for the radical transformation of social and economic relations but also for the system of property ownership. The Constitution became the fundamental basis for subsequent land reforms. It provided that:

- The land shall belong exclusively to the people and be under State protection.
- The land, except those allocated to the citizen of Mongolia for private ownership, shall be considered the property of the State.



- The State may allocate for private ownership plots of land, except pastures and areas under public utilization and special use, only to the citizens of Mongolia. Citizens shall be prohibited from transferring land in their ownership to foreign nationals and stateless persons by the way of selling, bartering, donating or pledging as well as transferring to others for exploitation without permission from the competent State authorities.
- The State shall have the right to hold responsible land owners in connection with the manner that the land is used, to exchange or acquire land with compensation for the purpose of special public needs, or to confiscate land if it is used in a manner which is adverse to the health of the population, the interests of environmental protection and national security.
- The State may allow foreign nationals, legal persons and stateless persons to lease land for a specified period of time under conditions and procedures as provided for in the law.
- Citizens of Mongolia shall be guaranteed the privilege to enjoy the right to a healthy and safe environment and to be protected against environmental pollution and ecological imbalance.
- It is a sacred duty for every citizen to.... protect nature and the environment

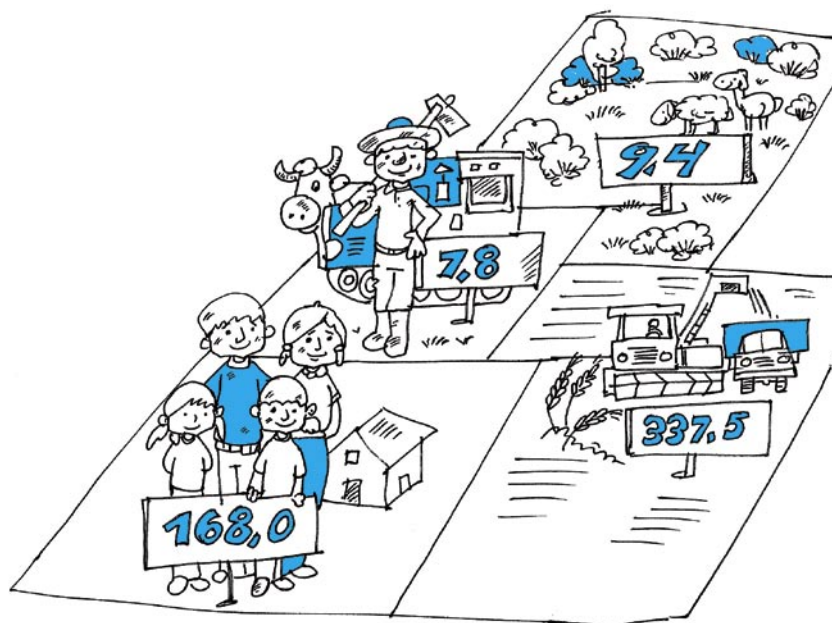
The new Constitution provided for the broad regulation of land relations adopting a distinct as well as a comprehensive approach. The constitutional provisions set out above laid the foundations and the first law which was directed to achieve the goals was the 1994 Law of Mongolia on Land. Subsequent land laws included

- 1994 - Law of Mongolia on Special Protected Land Area;
- 1997 - Law on Surrounding Zones of Special Protected Land Area; and
- 1997 - Law of Mongolia on Land Fees.

In addition, the 1995 Environmental Protection Law of Mongolia and the 1998 Law on Environmental Impact Assessments may also be included in this framework.

Although the Constitution provided that land can be allocated for private ownership, it took ten years before the law-making body - the State Great Hural - was finally able to address the fundamental questions of who, when and how may enjoy rights to land ownership in Mongolia.

In 2002, the Government of Mongolia proposed a bill for the fourth time on the allocation of land to Mongolian citizens for ownership. Incorporating sections of earlier drafts, it was not long after approved by Parliament. At present, the implementation of both the 1994 Law on Land and the Law on the Allocation of Land to Mongolian Citizens for Ownership are being carried out. The work to formulate necessary supporting legal acts, rules and regulations is almost complete. In the first instance, and on the basis of proposals received from aimags and the capital city (Ulaanbaatar) authorities, the government identified the total amount of land that could be allocated to citizens for private ownership in 2003. It also specified the exact location of these lands and the purposes to which these lands could be put.



***Total sizes, locations and purposes of land areas to be allocated to citizens for ownership (in hectares)***

According to the land management plans, 522,700 hectares were allocated for citizens' ownership in 2003. Out of this total, 168,000 ha were allocated for family needs, 7,800 ha for business purposes, 337,500 ha for agricultural purposes and 9400 ha set aside to serve as fallow land. In the process of implementing the Law on Land and the Law on the Allocation of Land to Mongolian Citizens for Ownership (hereafter referred to as Law on Allocation of Land or Land Allocation Law), many requests and petitions for land were submitted. These are set out in the table below:

№	Name of aimag	Location of land allocated for ownership	Total size of land allocated for ownership (thousand hectares)	Currently possessed land	Purpose of land ownership (in hectares)			
					For family needs	For business purposes	Agricultural	
							Land for crops	Fallow land
1	Arkhangai	Soum center	18209.7	18209.7	7441.4		2336.3	8432
2	Bayan Ulgii	Soum center	2866	2866	1747	288	406	425
3	Bayankhongor	Soum center	571.7	391.7	571.7			
4	Bulgan	Soum center	3933.78	3083.2	2992.68	941.1		
5	Govi Altai	Soum center	5958.02	3616.96	2683.61	109.91	3164.5	
6	Govi sumner	Soum center	466.6	68.2	450.6	16		
7	Darhan uul	Soum center	1962.95	1673.05	1633.54	329.41		
8	Dornogovi	Soum center	2797.77	1109.77	2729.0	15.17	27.6	26.0
9	Dornod	Soum center	20397.1	2698.2	20090.6		306.5	
10	Dundgovi	Soum center	2355.2	2355.2	2355.2			
11	Zavkhan	Soum center	615.4	615.4	351.6		263.8	
12	Orkhon	Soum center	6678.1	6678.1	636.6	58	5983.5	
13	Uvurkhangai	Soum center	5924.7	3527.8	3173.80	2750.9		
14	Umnugovi	Soum center	4149.23	393.26	4029.43	20.5	99.3	
15	Sukhbaatar	Soum center	741	741	741			
16	Selenge	Soum center	72082.38	69642.25	5322.07	3297.8	68448	20
17	Tuv	Soum center	344402.2	248973.7	98778.2		245624	
18	Uvs	Soum center	1477.92	1477.92	1269	1.52	207.4	
19	Khovd	Soum center	3974.4	2618	2207.54	5.1	1277.46	484.3
20	Khuvsgul	Soum center	983.6	983.6	983.6			
21	Khentii	Soum center	17573	17573	3151.4	21.6	14400	
22	Capital city		4586.05	3315.05	4586.05			
	<b>Total</b>		<b>522706.8</b>	<b>392621.02</b>	<b>167925.62</b>	<b>7854.52</b>	<b>337539.3</b>	<b>9387.3</b>

The final outcome of these land reforms depends to a great extent on citizens' proper understanding of respective laws and the rules and regulations designed to facilitate their implementation. The impact of the land reforms also depends on how citizens differentiate between the various



forms of property rights that can be enjoyed in respect of land. In other words, citizens should participate in this process of land reform on the basis of having accurate information concerning the relationship between land ownership, possession and utilization; the differences between these various property rights as well as related prices and fees that are involved.

## Land relations for ownership, possession and use

### 1. Legal acts related to land and their purposes

No	Legal acts	Purposes
1	Law of Mongolia on Land • enacted on June 07, 2002 • came into force on January 01, 2003	Regulates land possession and use by citizens, business entities and organizations as well as other related relations.
2	Law on Allocation of Land to Mongolian Citizens for Ownership • enacted on June 28, 2002 • came into force on May 01, 2003	Regulates the allocation of land to citizens of Mongolia for ownership and other related relations arising out of such allocation.
3	Law of Mongolia on Procedures for Observance of the Law on Allocation of Land • enacted on June 28, 2002.06.28	Regulating activities related to the allocation of land to Mongolian citizens for ownership.
4	Resolution No. 28 of the Mongolian State Great Hural on preparation to implement the Law on Land (June 07, 2002)	Completing preparation works to implement the 1994 Law on Land
5	Resolution No. 37 of Mongolian State Great Hural on some measures to implement the Law on the Allocation of Land (June 28, 2002)	Completing preparation works to implement this law
6	Resolution No. 45 of Mongolian State Great Hural on setting up a national council to organize land ownership works (July 04, 2002)	Completing preparation, enables nationwide organization and control of land allocation activities
7	Resolution No. 28 of Mongolian Government on some measures to implement Land and Land Allocation Laws	Approves the procedures regarding implementation of the laws.
8	Procedure for monitoring land status and quality. Appendix 1 of Government Resolution No. 28	The monitoring shall be done every time the ownership, possession or use rights come to force or expire for a given individual or organization.
9	Procedure for preparing unified land fund report. Appendix 2 of Government Resolution No. 28	The reports are prepared for each administrative unit of the country, and shall serve as a basis for land disbursement and long term land utilization planning.
10	Procedure for carrying out land management. Appendix 3 of Government Resolution No. 28	Land management is an essential work including such tasks as establishing land boundaries and preparing cadastral maps.
11	Procedure for taking land for and out of the state special needs. Appendix 4 of Government Resolution No. 28	Establishes rights and responsibilities of the state and land tenants including reimbursement for taking land for special needs of the state.
12	Procedure for allocating agricultural land for possession with preferential rights. Appendix 5 of Government Resolution No. 28	Pertains to citizens whose livelihood has been farming and its income.
13	Procedure for organizing auctions of land allocation for ownership, possession and use. Appendix 6 of Government Resolution No. 28	Provides parameters to ensure openness and transparency of auctions.
14	Procedure for organizing competitive tenders of land allocation for possession Appendix 7 of Government Resolution No. 28	Pertains to land to be used for major structures and buildings of regional or national importance.
15	Maximum size of land to be possessed by a business entity for production and service purposes. Appendix 8 of Government Resolution No. 28.	Sets maximum sizes by the type of use and regions.

The measures of land allocation to citizens of Mongolia for their one time, free-of-charge ownership for family needs shall be carried out over two years starting from May 01, 2003.

## Legal definitions

The following terms used in the Law of Mongolia on Land, the Law on the Allocation of Land and the law on Procedures to confirm the latter should be understood as follows:

“land” means a piece of physical space including the land surface, the soil, forests, water and plants;

“to own land” means to be in legitimate control of land with the right of disposition;

“to possess land” means to be in legitimate control of land in accordance with the terms and conditions specified in the respective use contracts;

“to use land” means to undertake a legitimate and concrete activity that makes use of land in accordance with the terms and conditions set out in contractual agreement with the owners or the possessors of land;



“to vacate land” means to remove obstacles from the land by such actions as transferring buildings and other structures on the land, and upon expiration of the right to possess or use the land, or upon removal when the respective land is used without authorization, to rehabilitate the land as stipulated in the relevant laws and contracts;

“pastureland” means rural agricultural land which is covered with natural and cultivated vegetation and used for the grazing of livestock and animals;

“a license for land possession” means a document given in accordance with the law certifying a right for Mongolian citizens, companies, organizations and foreign investment companies to possess land;

“a license for land use” means a document given in accordance with the law certifying a right for foreign countries, international organizations, foreign legal entities, foreign citizens and stateless persons to use land.

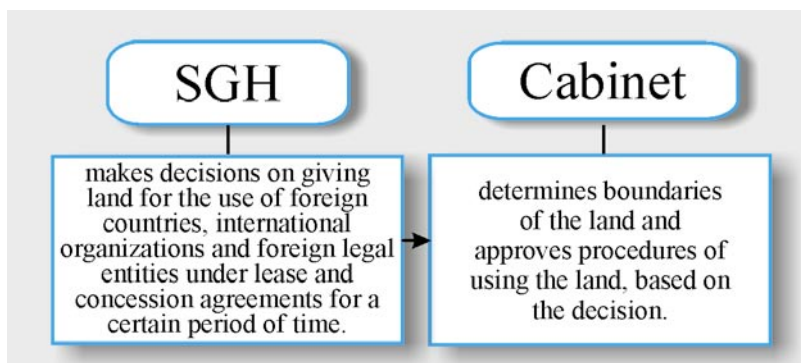
## 2. The administrative system of national government and local self-government bodies concerning land relations

### Definition of overall state policy for land relations

The State Great Hural has the principal authority for defining overall state policy concerning land relations. The Government Cabinet organizes the implementation of these policies and exercises authority to approve and enforce rules, procedures, guidelines and methodologies so as to implement overall state policy on land relations.

The respective jurisdiction and authorities of the various administrative bodies concerned with land affairs are set out in the example below:

### The State Great Hural and the Cabinet:



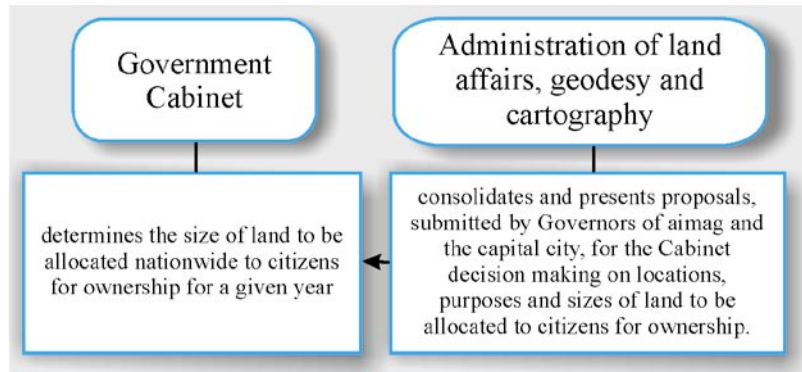
### The nationwide organization of implementation activities related to land reform

A central public administration authority has been placed in charge of organizing the nationwide implementation of land reforms, providing professional support for defining respective state policies and concepts and otherwise helping implement state policies and decisions. This is the government regulatory agency – the Administration of Land Affairs, Geodesy and Cartography - operating under the Prime Minister’s direct supervision. The Cabinet approves the charter of this agency but it is

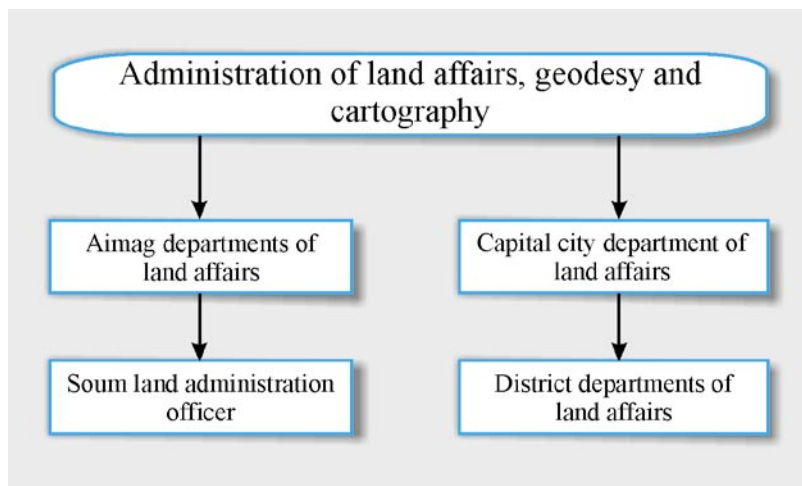


also authorized to propose agendas on land reforms for Cabinet discussion and decision-making.

The relationship between the Cabinet and the Administration of Land Affairs, Geodesy and Cartography is illustrated by the following chart:



The Administration of Land Affairs, Geodesy and Cartography has a centralized unitary organizational structure. It also maintains departments of land affairs in the aimags, the capital city and the districts as well as land administration officers in soums.



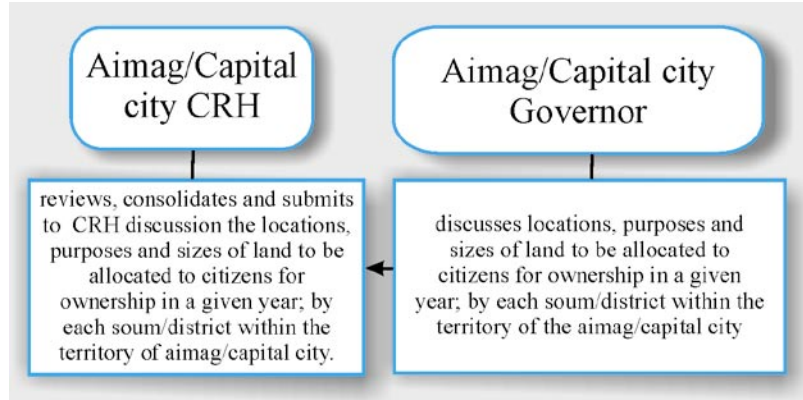
The Administration of Land Affairs, Geodesy and Cartography shall provide professional and methodological guidance to the aimag, capital city and district departments of land affairs and soum land administration officers. In accordance with the limits specified by the Cabinet, it may approve the organizational structure and staff numbers of the aimag, capital city and district departments of land affairs, and on the basis of recommendations submitted by Governors of the respective administrative level, it may appoint heads of the land affairs departments.



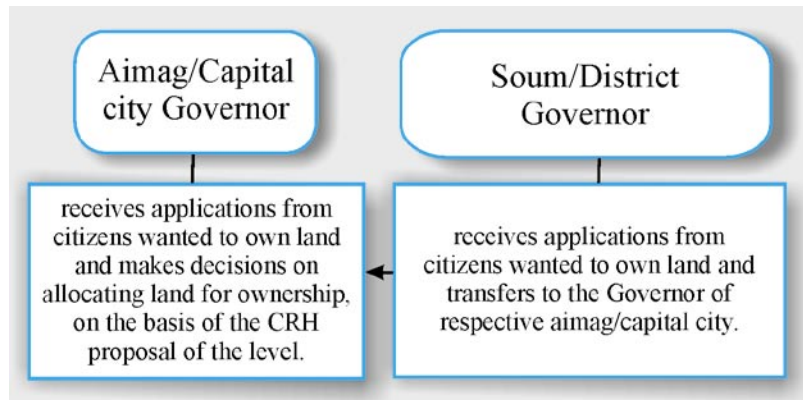
The administration and organization of implementation of land reforms in the aimags, capital city, districts and soums

The Citizens' Representative Hurals (CRH) and the Governors of the aimags, capital city, districts and soums. Charts are the legitimate bodies having authorities to administer and organize land law implementation activities in aimag, capital city, soum and district level. In accordance with the law, they have various decision making powers as well as the right to control implementation of such decisions. The interrelations between these authorities are set out in the following table:

### Citizens' Representative Hural and Governor of an aimag/ capital city



### Governor of aimag/ capital city and Governor of soum/ district



### The implementation of decisions of the CRH and the Governor of aimag, capital city, soum and district

Departments of land affairs of aimags, capital city and district or the land administration officer of a soum are the authorized bodies for organizing implementation of those decisions made by the CRH and the Governor of aimag, capital city, soum and district. The Department of land affairs of an aimag, capital city and district and the land administration officer of a soum have the following authorities.

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Authorities of an aimag, capital city and district department of land affairs:

- preparing drafts of general land management plans for an aimag or capital city
- preparing and reporting land reports
- on the basis of the relevant Governor's recommendation, appointing and dismissing soum land administration officers and heads of district departments of land affairs;
- on the basis of the relevant Governor's decision, issuing licenses to citizens, business entities and organizations for land ownership, possession and use;
- imposing and collecting land fees according to respective legal acts and procedures;
- performing land cadastre, establishing a land information database of the aimag and capital city, and providing information service for the public.

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Authorities of a soum land administration officer:

- on the basis of a soum Governor's decision issuing licenses to citizens, business entities and organizations for land ownership, possession and use;
- measuring sizes, marking borders and boundaries, setting coordinates, drawing cadastral maps on site for land allocated for possession and use;
- registering related documents in the state land register,
- imposing and collecting land fees according to respective legal acts.



### 3. The financing of land management

Land management is a complex process that aims to ensure the proper and efficient use of land and to increase its capacities. It is carried out for the benefit of both public and private land within the territories of the state, aimags, capital city, soums and districts the plans for land management are detailed in the general and annual land management plans.

Activities such as on-site measurement, revision and modification of land boundaries are, by necessity, carried out on the land of the respective owner. In case of such owners having their land managed by professional authorities, they will receive a legal guarantee confirming their possession or use of the land.

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Land management activities are conducted in the following cases:

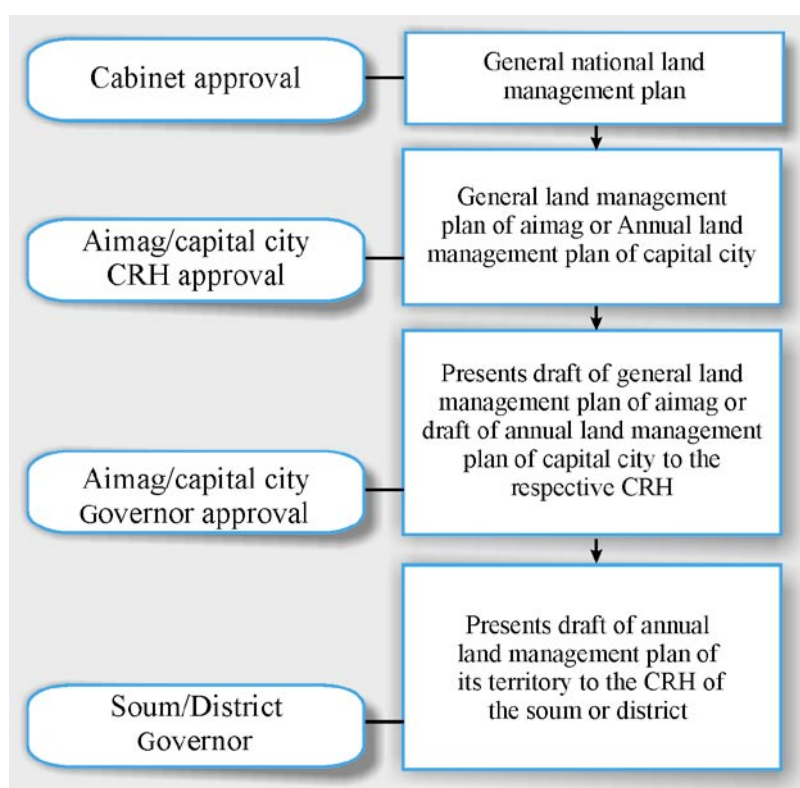
- in the preparation of land management plans for the territories of the various administrative units;
- surveying, measuring, registering, mapping and allocating land for ownership, possession and use; defining, changing and revising boundaries including the lands allocated for use by a foreign country, international organization, foreign legal entity, foreign investment company, foreign citizen or stateless person;

**It is prohibited by law to allocate land for ownership, possession and use except for those land allowed and reflected in the aimag, capital city, soum and district land management plans !!!**

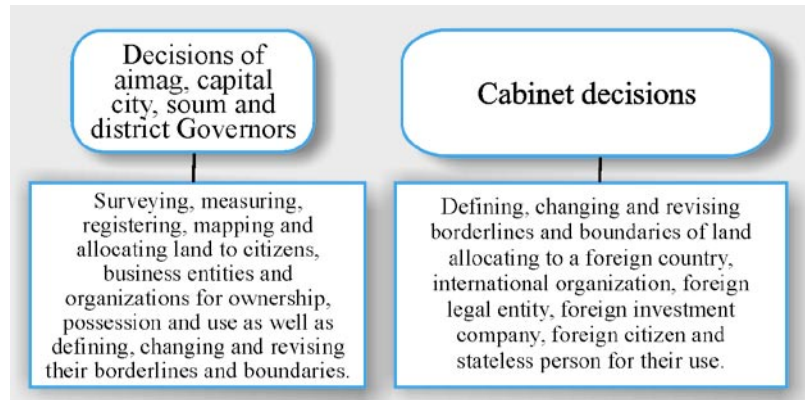
The following are required in the preparation of land management plans:

№	Name of document	Requirements
1	General National Land Management Plan	The General National Land Management Plan is a set of maps and drawings that detail the next 16-20 years of Mongolia's socio-economic development based on the maintenance of land management policies which are adapted to natural and geographic conditions, land resources, ecological and economic considerations, and spatial capacity and potential.
2	General Land Management Plan of aimag and the capital city	The General Land Management Plan of the aimags and the capital city is a set of maps and drawings developed under the framework of the General National Land Management Plan and designed to be implemented over 12-16 years.
3	Annual Land Management Plan of soum and district	The Annual Land Management Plan of the soum and district are a set of maps and drawings that define the location of land to be used, possessed, protected and rehabilitated by citizens, business entities and organizations.

The various steps involved in the preparation and approval of land management plans are set out in the following chart:



Land management activities that facilitate the allocation of land to citizens, business entities and organizations for the purpose of ownership, possession or use shall adhere to the decisions of the following authorities:

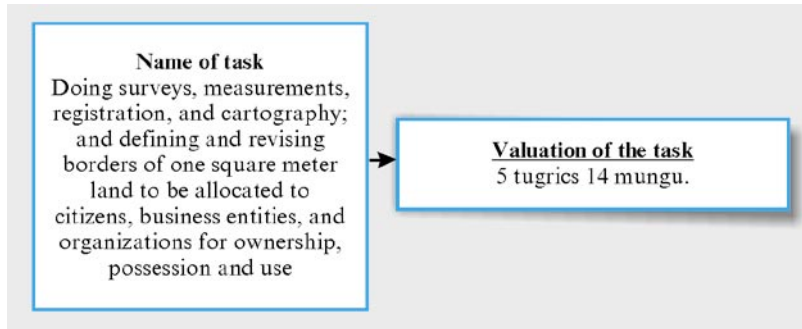


Citizens, business entities and organizations can request that authorized professional authorities manage their land. In such cases, the applicant shall pay all costs related to the carrying out of the land management.

All land management activities necessary for ensuring the initial allocation of land to citizens, business entities and organizations for ownership, possession or use shall



be paid for by the state budget. According to Appendix 1 of Government Resolution No. 103 of 2003, the Cabinet approved the regulation for “Valuation of land management works”.



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#### Example:

*The Governor of Sergelen soum of Tuv aimag made a decision to allocate 700 m<sup>2</sup> of land for family needs to Mr. Bat, a citizen of the soum.*

*On the basis of this decision, the land administration officer of Sergelen soum shall measure and mark the boundary of the 700 m<sup>2</sup> land area on the site and sign over to Bat along with a written official note. The note shall be an appendix to Bat’s license for land ownership. In this case, budget financing shall cover the necessary land management activities and the owner shall not pay any related costs.*

*If Bat wants his owned 700 m<sup>2</sup> of land to have accurately defined or restored borderlines, he can apply to the soum Governor requesting such land management activities on his land and the Governor makes appropriate decision. In such case, Bat shall pay the cost himself. As set out in the cost valuation table of the land management works, this would mean that he should pay:*

$$5.14 \text{ MNT} * 700 \text{ m}^2 = 3598 \text{ MNT}$$



## 4. Some legal differences between ownership, possession and use of land

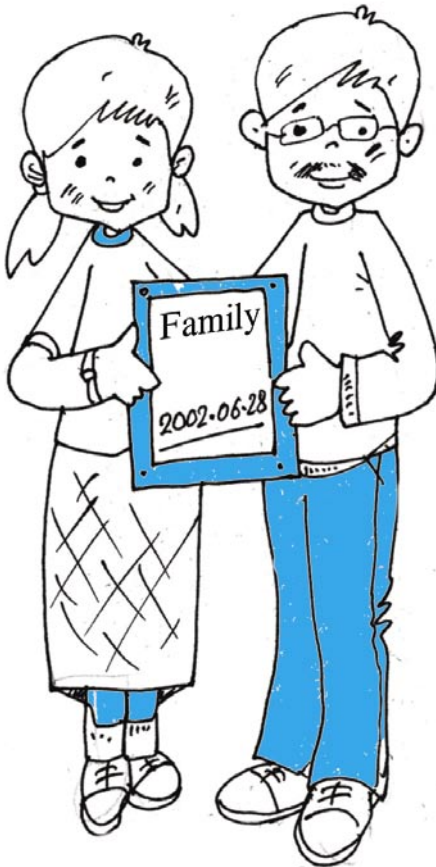
### 4.1. Rights of land ownership, possession and use

The 1994 Law of Mongolia on Land and the 2002 Law on the Allocation of Land set out who may enjoy the right to own, possess, or use land,.

#### Right to own land

A Mongolian citizen, who has reached 18 years of age, has the right to own land. The right to be allocated land for the purpose of ownership on a one-off, free-of-charge basis and for the purpose of meeting family needs shall be enjoyed by:

- each family that is registered in the state family registration of Mongolia as of June 28, 2002.
- citizens who have not yet registered at the respective administrative and territorial unit, would enjoy the same rights when they resolve their civil registration matters according to the respective legal acts.





### Right to possess land

Mongolian citizens who have reached 18 years of age, business entities and other organizations from Mongolia have the right to possess land. Land shall be held with a license for possession based on a contract which sets out the purpose, the term and the conditions of possession.

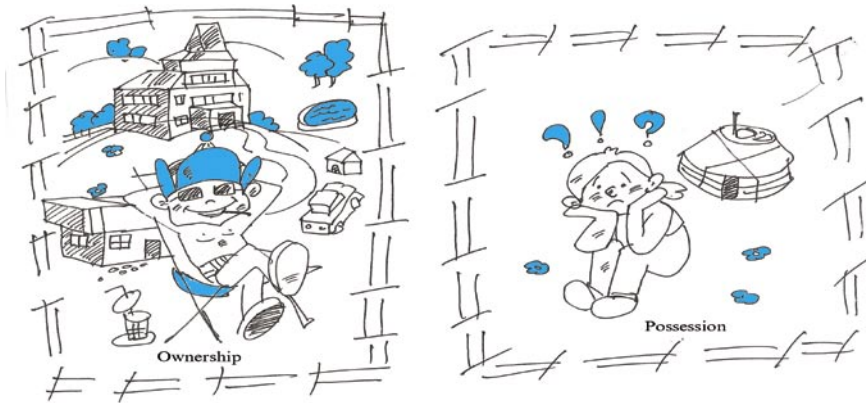
### Right to use land

Foreign citizens, stateless persons, foreign diplomatic offices and consulates have the right to use land on the basis of a license.

## 4.2. Some legal differences between ownership and possession of land

As mentioned earlier, based on anecdotal evidence it is apparent that not all citizens appreciate the difference between land ownership and land possession. The following table sets out some of the main differences between the two types of property right in terms of their respective legal powers.

№	Rights	Ownership	Possession
1	Selling	Allowed	Not allowed
2	Trading	Allowed	Not allowed
3	Presenting	Allowed	Not allowed
4	Pledging	Allowed	Allowed if Governor permits
5	Transferring	Allowed if aimag, capital city, soum and district Governor permits	Allowed if aimag, capital city, soum and district Governor permits



#### Note

If you choose a way of owning land you will hold the land lawfully in your ownership and the rights of administering and disposing the land shall remain to you. You can make yourself the decisions to sell, trade and present the land to a citizen of Mongolia. You can own the land through ages and there's no specified deadline. So that means you are a real landowner.

#### Example

*According to the Law on the Allocation of Land to Citizens of Mongolia for Ownership, Bat and Dulam both had the right to own or to possess land. As they did not appreciate the difference between the two they could not decide which one to opt for. Eventually, Bat decided for ownership of his land while Dulam decided to possess her land. Bat is now able to administer and dispose of his land, he can sell it or even give it to someone else as a present to others. Dulam unfortunately is not allowed to do so many things. There's nothing to stop Bat and his children building luxurious mansions on their land because it is their property. Dulam can do this but in 60 year time she or her children risk losing the right to that land. She worries that the authorities will take the land back as soon as the contract term is over. Once her term of possession is over, her ownership rights over the real estate on the land shall cease as well. She will have to return the land to the state after breaking down any fixtures and cleaning the land area, all at her expense.*

### 4.3. Preferential rights for owning or possessing land

#### **Possession.**

A citizen can be given preferential rights for the possession of land at the recommendation of the Citizens' Public Hural of a bagh or by the decision of the soum Citizens' Representative Hural. According to the Cabinet approved procedure, agricultural land can be allocated for possession with preferential rights for family needs to

“a citizen who applied for land possession and who works/used to work in agricultural sector for more than three years and earns/used to earn basic income from crop sales”.

Land under an artificial lake, pond, water pool, land which is used for animal breeding, forest growing or plantation, land which has been developed by a citizen, business entity or organization's own resources can be allocated to those with preferential rights of possession on recommendation from the bagh Citizens' Public Hural, or with permission from the respective professional body and or by decision of the soum Citizens' Representative Hural.

For those who live in ger districts, the land area of their residence can be possessed with preferential rights if it was included in the land management plan as land to be allocated to citizens for possession.

#### **Note**

If you choose a way of possessing land you will hold the land in your possession lawfully under the contract purposes, terms and conditions. The rights of administering and disposing the possessed land shall remain to the state. You will possess the land with a license and then in all cases of allowing others to possess or use, and transferring and pledging the land, you should ask permissions from respective Governors.



## Ownership.

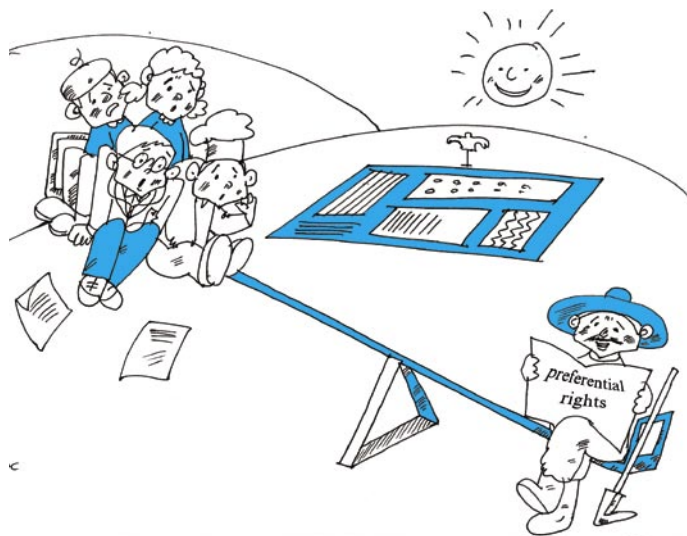
If a citizen in possession of agricultural land applies to convert his property rights in land into ownership rights and the respective agricultural area was included in the aimag, capital city, soum or district plan of land allocation, then that citizen has a preferential right to own such land providing that he/she pays the stated price for the land. Those living in ger districts have preferential rights to become the owner of their residential land area on condition that the fenced area was designated in the respective land management plan as land which should be allocated to citizens for ownership for family needs. Such a conversion of land rights shall be conducted on the basis of a one-off and free-of-charge allocation.

---

### Example

*Bat worked for the Bornuur state farm as a farm worker for his age and even now feeds his family growing vegetables. Therefore, he has comparative advantage of enjoying preferential rights of possession than the others like doctor Dulam, the teacher Khorloo, the chief Davaa and the kindergarden cook Suren. He also has the preferential rights to buy and own his crop field, possessed with preferential rights (in other words, without participating in a land auction).*

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#### 4.4. The location of land to be allocated for - one off and free of charge ownership

Determining the location of land to be allocated for one off of charge ownership is set out in the Law on the Allocation of Land to Mongolian Citizens for Ownership.



#### 4.5. The rights and duties of a land possessor

##### Rights of land possessor

- to possess and use the land according to its contract purposes,
- to request the state certificate of land status and quality from the land owner,
- to demand the guilty party to compensate damages caused to the land according to respective procedures,
- to transfer and pledge the license for land possession and to allow others to use partly and wholly the land with permissions issued by the respective authority that made the decision to allocate the land for possession,



- to extend the term of a license for possession in order to continue possessing the land when the term expires, if he/she followed well the duties stated in the legal acts on land as well as in the contract of land possession.

---

### Duties of land possessor

- to follow terms and conditions of the land possession contract,
- to use and protect land properly and efficiently and to conform provisions of legal acts on environmental protection and other common requirements on the usage of land set by respective government authorities,
- to pay land fees in the specified time,
- to have inspection and certification of the status and quality of the land carried out according to respective procedure,
- not to violate land possession rights and legitimate interests of others,
- to register the license for possession to the state registration in case of pledging and transferring the license as allowed in this law

**The establishment of the exact location of land to be allocated for ownership shall be carried out as follows:**

- 1. A citizen, registered in the capital city can obtain land for ownership in the territory of capital city or, in any city, aimag and soum territory in the country.**
- 2. A citizen, registered in the cities of Darhan and Erdenet can obtain land for ownership in their city of residence or any aimag and soum territory in the country except for the capital city.**
- 3. Citizens of aimags and soums can obtain land for ownership in any aimag and soum territory except for the capital city and the cities of Darhan and Erdenet.**

## 5. Requirements on allocating land for possession

The old man, Bat, explains the basic requirements of land possession to people who have no information on the issue.

The applicants of land possession shall only be a citizen, business entity and organization of Mongolia

The land applied for possession shall overlap anyhow with other's land of possession and use

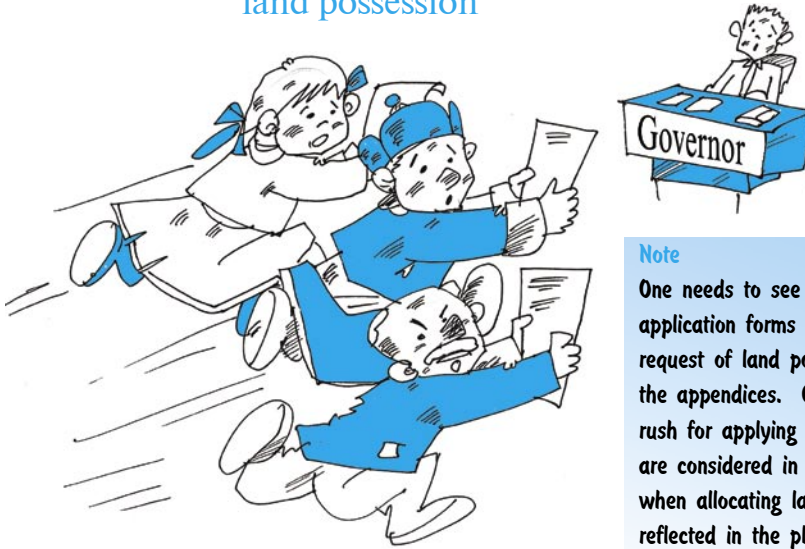
The location of land applied for possession shall be reflected in the land management plan of aimag, capital city, soum and district as allowed for allocation to citizens, business entities and organizations for possession.





## 6. Applying for land ownership and possession

### 6.1. Applying for land ownership and requesting land possession



#### Note

One needs to see the approved application forms land ownership and request of land possession, attached in the appendices. Citizens should make a rush for applying since the applications are considered in their order of reception when allocating land for ownership reflected in the plan. The final date of receiving application for one-off, free-of-charge allocation of land to citizens for ownership in their family needs is

**May 01, 2005!**

#### How to make a request for land possession

A request shall be made to the Governor of an aimag, the capital city, soum or district in a format that is approved by the government land authority. The request shall contain the following information:

- Family name, given name, address of permanent residence, civil registration and personal identity card number.
- Administrative and territorial affiliation, borderlines and boundaries, location, outline map, purpose and term of possession of the land.

A soum land administration officer or aimag, capital city and district department of land affairs shall register the above documents according to the procedure approved by the government land authority as soon as they receive them. The date and time of receipt of the request shall be recorded on the registration and a notice of registration shall be given to the applicant.

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### How to make an application for land ownership

The application for land ownership shall contain the following information:

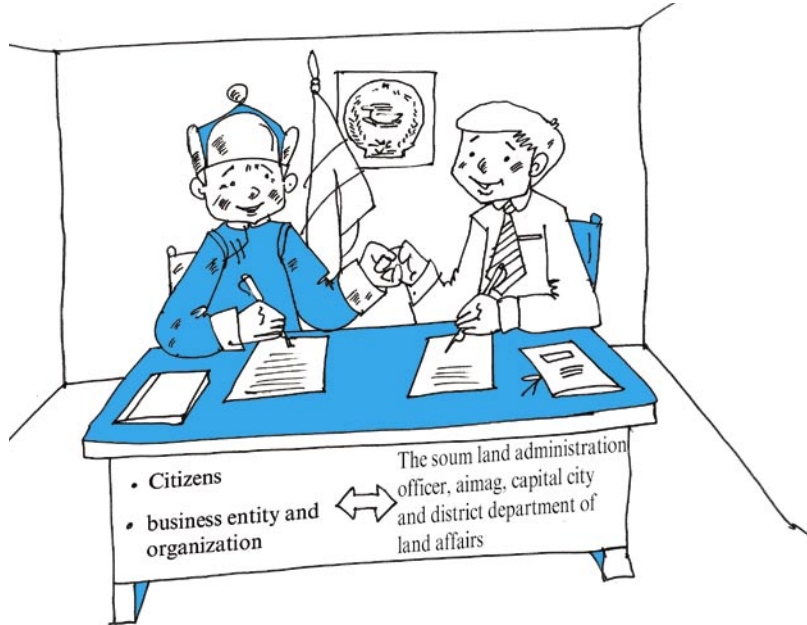
- Family and given name, father's and mother's name for each family member and their civil registration and personal identity card number;
- Address of the place of residence, phone number, administrative and territorial affiliation of the land to be taken for ownership;
- Size and purpose of the land to be owned. For wishing to acquire land for ownership for purposes stated in Article 4 of the Law on the Allocation of Land to Mongolian Citizens for Ownership, the application should include a request for partial or shared collective ownership of land;
- Date of application and signatures of each family member or citizen over 18 of age.

The following documents shall be attached to the application form:

- Certified copies of birth certificate of each family member under age of 16;
- A letter of confirmation by a Governor of bagh or khoroo on the status of the family and number of its members;
- A map showing the location and the size of the land requested (if the land is for collective ownership, then sizes and portion of land for each member)

*Please see specimen application forms of land ownership and possession in the Appendix 2.*

## 6.2. ГАЗАР ЭЗЭМШИХ ГЭРЭЭ БАЙГУУЛАХ



On the basis of Governor's decision to allocate land for possession, the soum land administration officer or aimag, capital city and district department of land affairs shall make a contract with a citizen, business entity and organization. In the case of collective possession, a single contract can be made. After signing the contract, a license for possession shall be handed to the possessor and registered in the state land register. The land possession contract shall be valid only with the license. The license for land possession is the legal basis for registering real estate in the state land register. This means that if real estate is built on land without possession of the requisite license for land possession, such structures cannot be registered in the state registration of real estate.

A land possession contract shall contain the following information:

- Rationale and decision on land allocation for possession
- Purpose of allocating the land for possession
- Map that shows the size, location and boundaries of the land
- Data concerning land status and quality

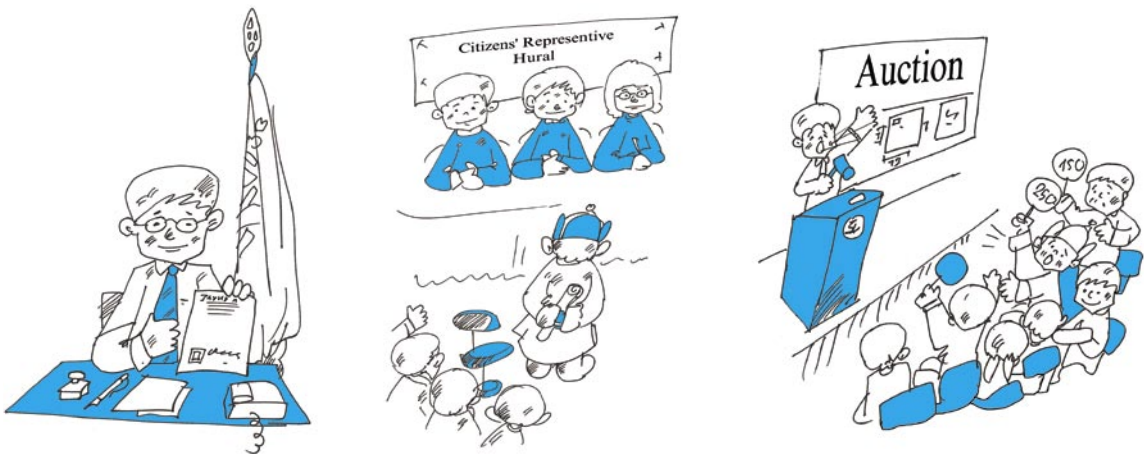
- Term (period) of possession
- Amount of land fee and due dates
- Rights and obligations of the contracting parties
- Agreement on the status of real estate in case where possession rights are terminated
- Procedures and conditions for reversion or replacement of the possessed land with compensation
- Activities for protecting and restoring the land
- Other necessary provisions

A contract of land possession for the purpose of production and service provision shall have such attachments as the state certification of land status and quality and the assessment of environmental impacts. For a specimen land contract format please see the appendices.

### 6.3. Decision making on allocating land for possession

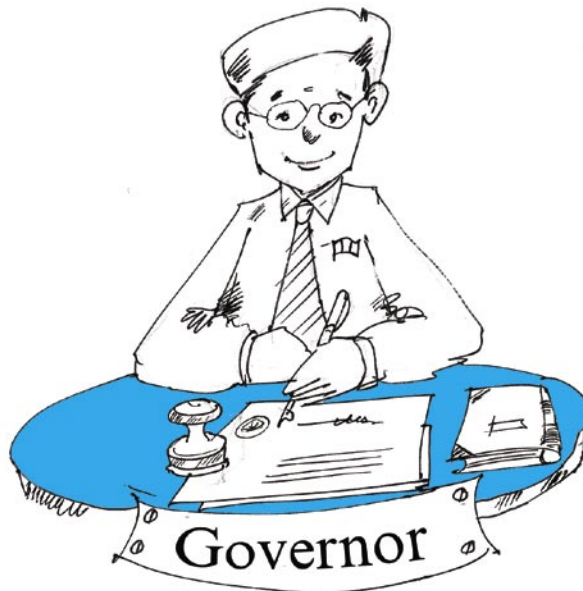
The aimag, capital city, soum and district CRH shall approve the general and annual land management plans for allocating land to citizens, business entities and organizations for the purpose of possession.

The governor of the aimag, capital city, soum and district shall make the necessary decisions to allocate land for the purpose of possession on the basis of plans approved by the respective CRH.



Where citizens, business entities or organizations have applied for possession of land in excess of the permitted limits, the Governor shall organize land auctions and competitive tenders in order to settle outstanding issues concerning the amount of land that may be allocated for possession. The Cabinet will issue a resolution on the relevant procedures for auctions and competitive tenders. If a successful bidder in a land auction is unable to pay the price of the land possession license in the due time, the license shall be auctioned again. Any disputes regarding land possession with licenses shall be settled according to the dispute settlement provisions of land related laws.

## 7. Decision making concerning land ownership



After receiving an application for land ownership, the Governor of an aimag, capital city, soum and district shall verify whether the applicant is an eligible citizen as stated in the Law on the Allocation of Land to Mongolian Citizens for Ownership and make his decision concerning the allocation of land for ownership by issuing a directive.

This directive shall indicate the location, purpose and boundary of the land; family and given name, father's and mother's name, personal identity card number, national civil registration number of the land owner /owners; birth certificate numbers of family members under age of 16; and value of the land. In the case of collective or partial ownership of agricultural land the directive shall specify the sizes and boundaries of each share or portion of land belonging to each owner of the land.

## 8. Organizing auctions of licenses for land ownership, possession and use

### Determining the initial auction price of licenses for land possession and use

The Chief of the Administration of Land Affairs, Geodesy and Cartography approved the "Methodology of determining initial auction price of licenses for land possession and use" in his order No. 218, 2003. As indicated in this methodology:

1. The initial price for licenses for land possession and use in cities, villages and other residential areas shall be based on the following table:

Settlements			Initial auction price of a license for possessing and using 1 sq.m land (MNT)
Category	Population (thousand people)	Name	
Capital city		Ulaanbaatar	2200
State category town	50-500	Darhan	1500
		Erdenet	1000
		Choibalsan	600
Aimag category town	30-50	Uliastai Ulgii Moron Tsetserleg Hovd Ulaangom Sukhbaatar	250
	15-30	Bayankhongor Undurhaan Zuunmod Baruun-Urt Sainshand Dalanzadgad Arvaiheer Mandalgovi Altai Bulgan Zuunharaa Tosontsengel Choir	200
Soum center, villages	0,5-15	Soum centers	150
	up to 0,5	Other settlements	100

This initial auction price is determined by first multiplying the unit price set out in the above table by an adjustment coefficient for the land valuation zones and types of possession and use, shown in the table below, and then finally by the square meters of the respective land.

No.	Type of land possession and use	Adjustment coefficients for land valuation zones and type of possession and use				
		Zone 1	Zone 2	Zone 3	Zone 4	Zone 5
1	Family use purpose	0.2	0.18	0.15	0.12	0.1
2	Non-governmental organizations, parties, and religious organizations	0.8	0.6	0.4	0.3	0.2
3	Production purposes	1.0	0.8	0.6	0.5	0.4
4	Trade and all types of services	1.5	1.2	1.0	0.8	0.7
5	Gasoline stations	3.0	2.7	2.5	2.3	2.0

The land valuation zones are determined by the decision of respective soum and district CRHs. Currently the city of Darhan has five valuation zones. If an urban area has only 3 valuation zones then the coefficients of the 1st, 2nd and 3rd zone will be effective in these areas as indicated in the above table.

### Example

*Boldbaatar, a citizen of Zuunmod town, Tuv aimag, is interested to know the initial auction price of a license for possession of 500 sq. meters of land for the purpose of building a gas station. In such a case we can determine the initial auction price of the license according to the above methodology:*

- a) according to Table 1, Zuunmod town of Tuv aimag is a town of aimag status and the initial auction price for possessing and using 1 sq. m land in a town of such status is 200 MNT;*
- b) according to Table 2, the adjustment coefficient for the 3rd land valuation zone with purpose of using the land for gasoline station is 2.5;*
- c) thus, the initial auction price of the license for possessing 1 sq. m of land will be:*

$$200 \text{ MNT/sq. m} \times 2.5 = 500 \text{ MNT/sq. m} ;$$

- d) in this case, for possessing 500 sq. m of land the initial auction price will be:*

$$500 \text{ MNT/sq. m} \times 500 \text{ sq. m} = 250,000 \text{ MNT.}$$



2. In the case of agricultural land the initial auction price for possession licenses shall be determined depending on the type of plants to be cultivated and as set out in the following table.

No.	Land valuation district index	Category	Initial auction price of a license for possessing 1 hectare of agricultural land (MNT)	
			Crops and fodder plants	Vegetable and other greens plants
1	KM (Khangai Mountainous)	I	5200	15800
		II	4300	13000
		III	1900	5700
2	AM (Altai Mountainous)	I	2300	7000
		II	1200	3500
		III	500	1500
3	GS (Gobi mountainous and steppes)	I	2500	7500
		II	1100	3400
		III	800	2400
4	S (Steppes)	I	4200	12700
		II	4000	11000
		III	2700	8200

As set out in the above table, all the territories of the 21 aimags, the capital city, the sum and the districts of Mongolia were classified into 4 districts of land valuation and each valuation district was divided into 3 categories. To find out the category of particular soums or districts, please refer to the respective department of land affairs, whose phone numbers are listed in the appendices.

### Example

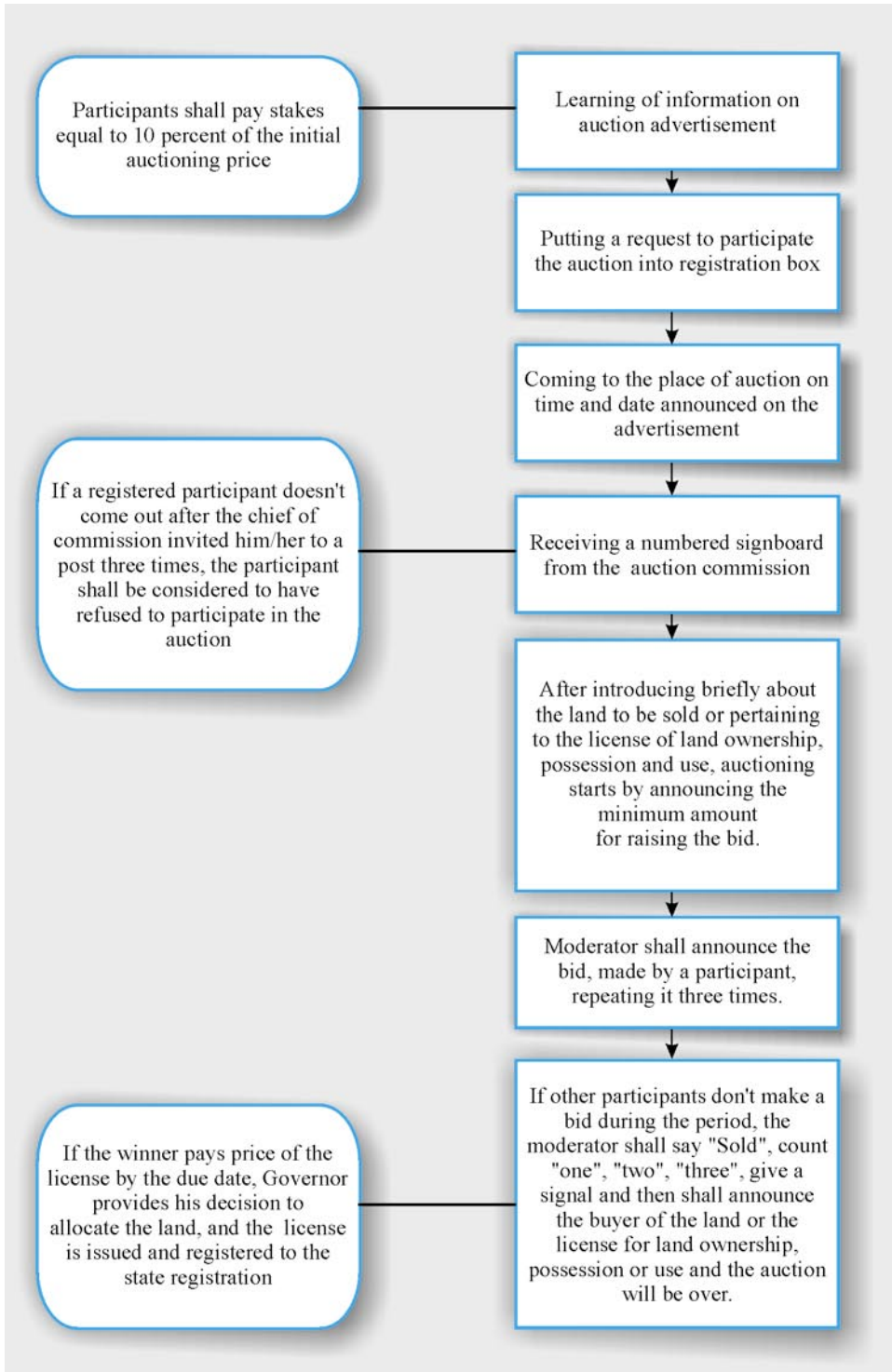
*Let us determine the initial auction price of a license to possess 100 hectares of agricultural land in Tsaganuur soum, Selenge aimag by the methodology described.*

*According to the table, Tsaganuur soum of Selenge aimag belongs to the first category of the Khangai Mountainous (KM) district and accordingly the initial auction price for a license for possessing 1 hectare of agricultural land in that area is 5,200 MNT. The initial auction price for a license to possess 100 hectares of agricultural land will be:*

$$5200 \text{ MNT/ha} \times 100 \text{ ha} = 520,000 \text{ MNT.}$$

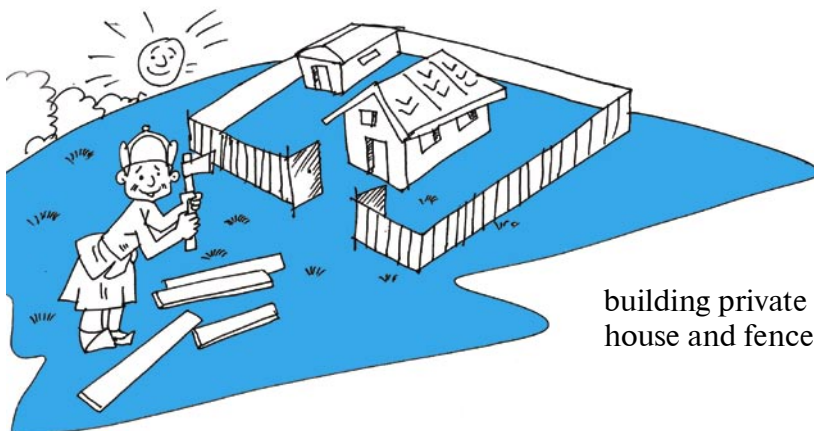
When participating in auctions for ownership, possession or use of land, citizens, business entities and organizations are obliged to observe the following requirements.





## 9. Purpose, size, location and term for land possession with license

For family common use



building private house and fence

Land shall be allocated for possession on the basis of contract with purposes, terms and conditions consistent with the land law and only on the basis of issuance of a license.

growing vegetables, fruits and other plants





Agricultural land can be allocated for possession with preferential rights to the citizens who have permanently worked in the agricultural industry for many years according to the procedure approved by the Cabinet

For other use



Production and services

**The license of land possession shall be issued only to a citizen, business entity and organization of Mongolia.**

The land under artificial lake, pond, water pool, animal breeding, forest growing and plantation, developed by a citizen, business entity and organization's resources, can be allocated to them with preferential rights of possession



Land, deteriorated, degraded and left unused by human actions can be allocated for possession to a citizen, business entity and organization who rehabilitated the land using own resources.

Government Cabinet defines the size of land to be allocated to a business entity for possession with production and service purposes.

The maximum amount of land to be allocated to citizens for family needs on a one-off, free-of-charge allocation

Nº	Purpose	Size (ha)
1	For private house or residence	Up to 0,07
2	Culture of vegetables, fruits, berries and other plants	up to 0,1

The maximum amount of agricultural land to be allocated for possession with preferential rights

Nº	Purpose	Size (ha)
1	Cultivating crops	up to 100
2	Cultivating vegetables	up to 5

The maximum amount of land to be allocated to business entities for production and service purposes

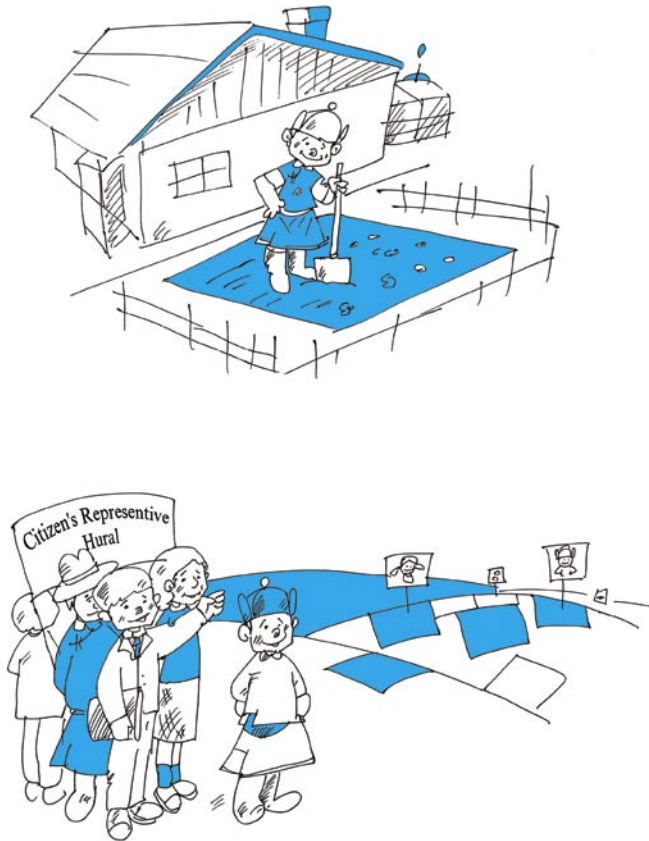
Nº	Purpose	Aimag	Ulaanbaatar
1	Planting crops and fodder plants	up to 3000 ha	up to 200 ha
2	Growing vegetables and other plants	up to 50 ha	up to 5 ha
3	Natural haymaking	up to 1500 ha	up to 100 ha
4	Haymaking for domestic needs	400 ha	50 ha
5	Mining area outside the borderlines of a city, town or an urban area	up to 5000 ha	
6	Mining area inside the borderlines of a city, town or an urban area	up to 25 ha	

## Location of land

It is prohibited by law to allocate land in locations other than that allowed in aimag, capital city, soum and district land management plans.

CRHs of soums and districts can set the maximum sizes and locations of allocating land to citizens for possession, regarding their population density and land resource while not exceeding the limit stated by law.

The land field for cultivating vegetables, fruits and berries can be next to private gers and fenced plots of land, or in a specially designated area.



## TERM OF LAND POSSESSION

The state-owned land may be given possession with a license to Mongolian citizens, business entity and organizations as well as entities with foreign investment for duration of 15 to 60 years. The land possession license may be extended for not longer than 40 years at a time.

In the event of death or announcement of death of the possessor of land or if the land possessor is announced as missing, the legitimate heir, if he/she wishes, may transfer the land possession license to himself/herself, and may possess that land until the original expiration date of the license.

### 10. Extending the term of a license for land possession



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## Example

*Bat made a contract in 2003 to hold a license for land possession for 60 years until 2063. And the governor of aimag, capital city, soum and district has received his request to extend the term of license and made the decision to extend the term for additional 37 years or until 2100.*

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### Notice

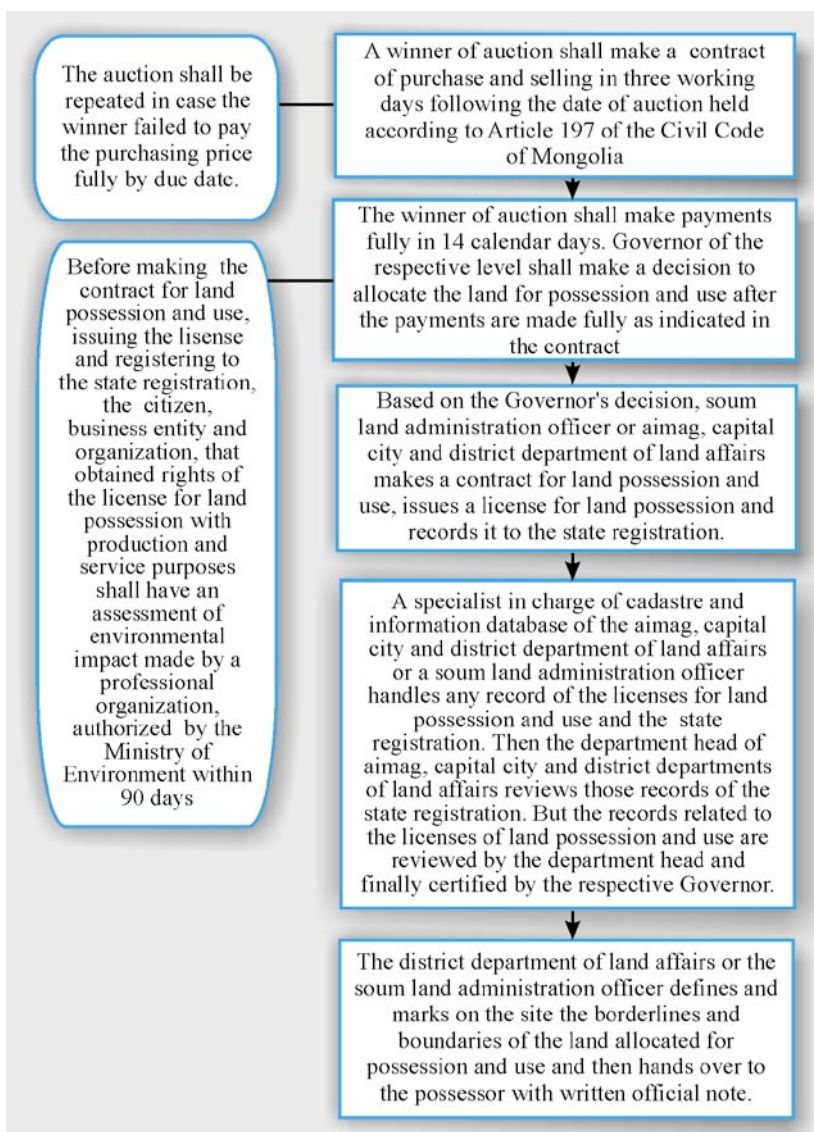
**A request to extend the term of license for land possession shall be made to respective Governor 30 days before its expiration date, along with following documents attached:**

- **The license for land possession;**
- **Document on the land fees paid;**
- **A statement on implementation results of environmental impacts assessment.**



## 11. The issue and state registration of licenses for land possession and use

A winner of auction shall make a contract of purchase and selling in three working days following the date of auction held according to Article 197 of the Civil Code of Mongolia.

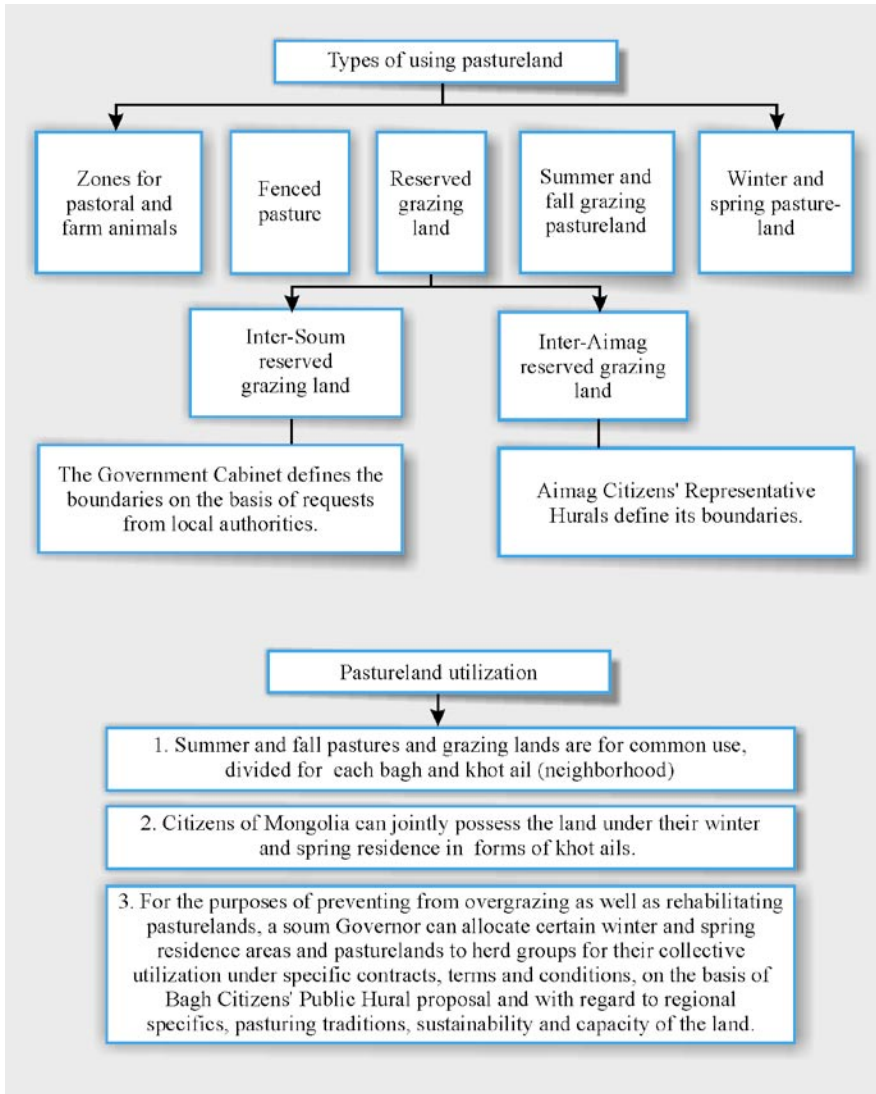




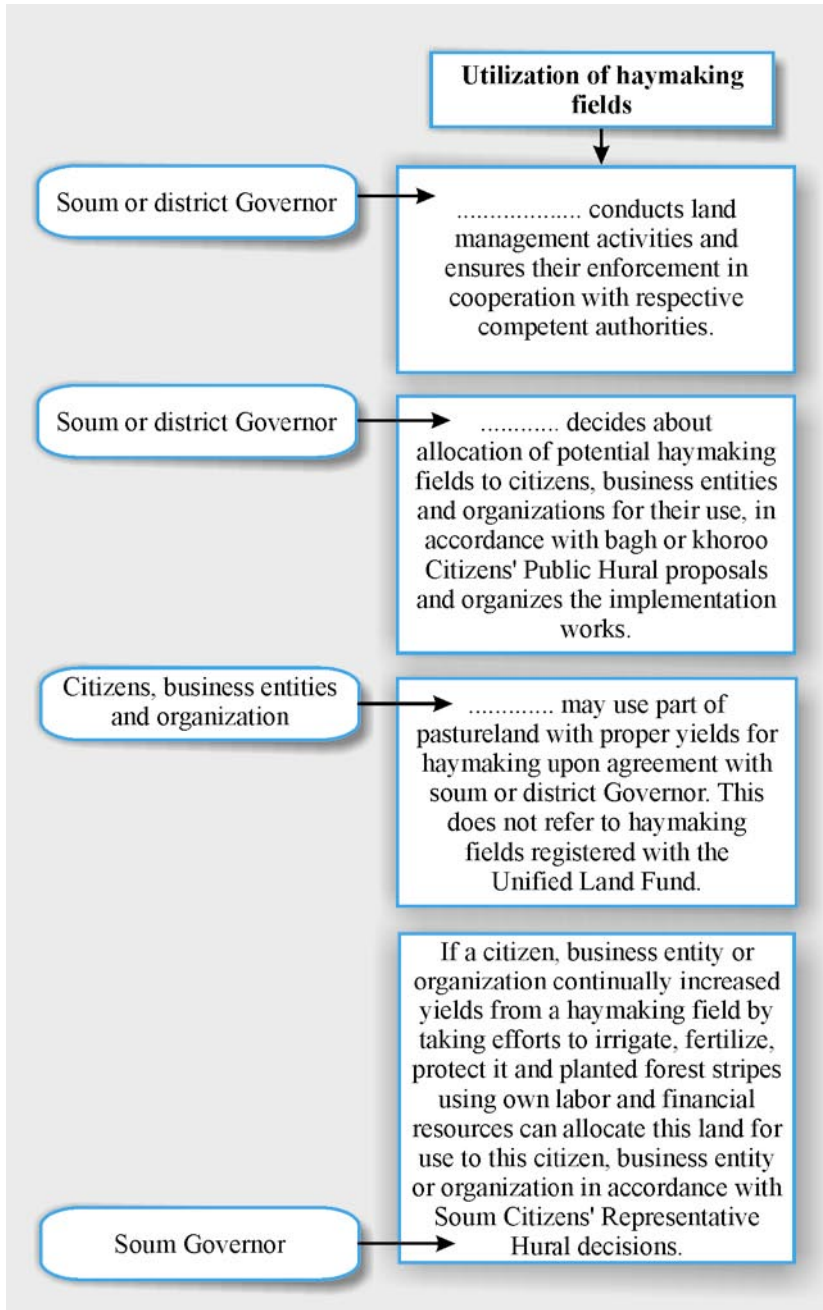


## 12. Ensuring the rational use and protection of pasturelands, hayfields and crop fields

### 12.1. Pastureland and its rational use and protection

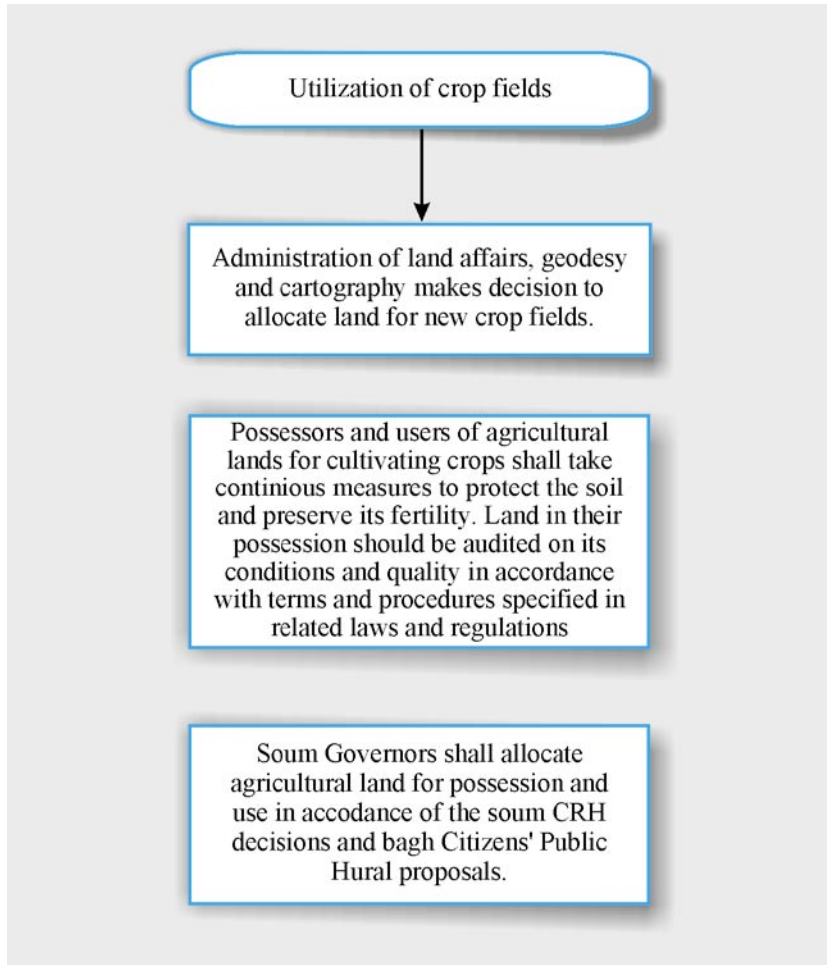


## 12.2. Rational use and protection of haymaking fields



Starting from May 15 until end of haymaking season it is prohibited to graze herds on haymaking fields registered with the unified land fund classification!

### 12.3. Rational use and protection of crop fields



**It is prohibited graze herds on crop cultivation fields during seasons starting from seeding until end of harvesting, except when the fields are specifically allotted for grazing.**

## 13. Transferring land possession licenses



### Notice

Citizens, business entities and organizations can transfer licenses for land possession to each other. Following documents should be attached to a request to transfer a license:

- Contract, certified by a notary
- Confirmation that the new owner of the license accepts all rights and duties arising as result of transferring
- Fee payment receipts

Request shall be submitted to respective Governor who makes decision and gives permission.

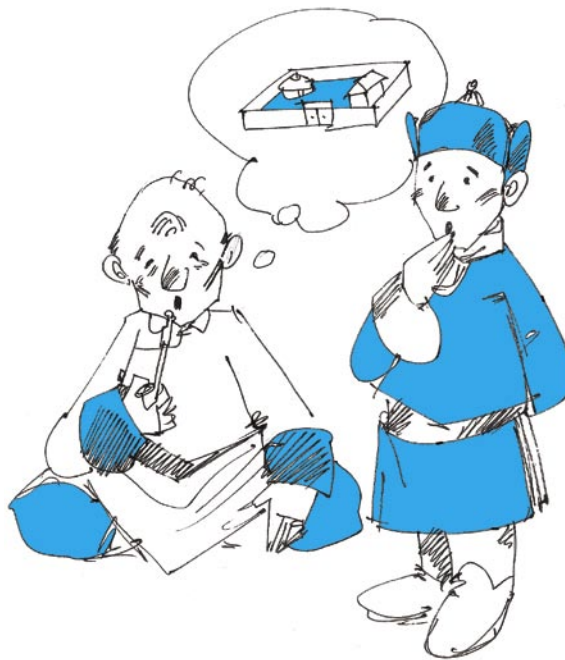
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## Note

*Transfer of licenses for land possession is valid and complete, provided that both transferring and receiving parties submitted requests and registered the transfer of license with soum land administration officer or aimag, capital city and district department of land affairs upon receipt of Governor's edict.*

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### 13.1. Inheriting a license for land possession



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## Note

*Bold is Bat's son and has rights to inherit his fathers property. But, does he have rights to inherit land in Bat's possession?*

*In case of death, announcement of death or disappearance of land possessor, his legitimate heir can transfer land possession license to himself/herself, registering in his/her name, and may possess that land until end of land possession expiry date specified in the original license.*

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## 13.2. Pledging a land possession license

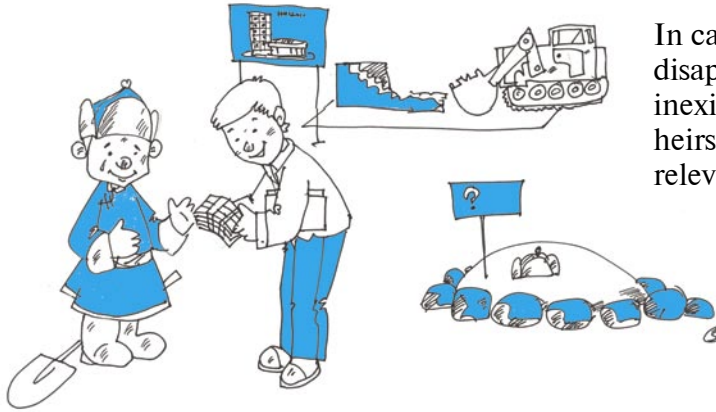


### Notice

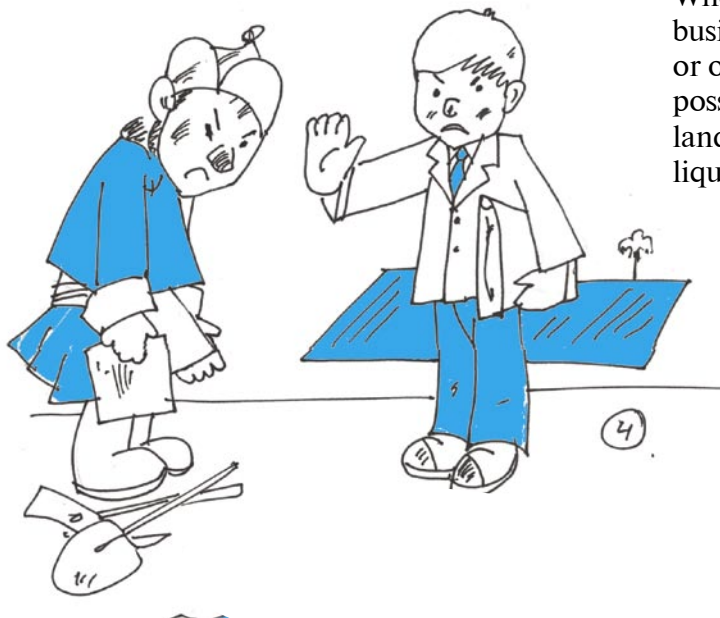
A land possessor can pledge his license for land possession as a guarantee for credit with Governor's authorization or contractual obligations and in conformity with Civil Code. In case of pledging, The possessor shall register the pledging with soum land administration officer or with aimag, capital city and district department of land affairs for keeping record of it. Pledging contract must be certified by a notary and supplemented by Governor's edict authorizing pledging of license.



## 14. Termination of land possession rights



In cases of death, or disappearance and when inexistence of legitimate heirs is ascertained by relevant authorities



Where a business entity or organization possessing the land is dissolved or liquidated

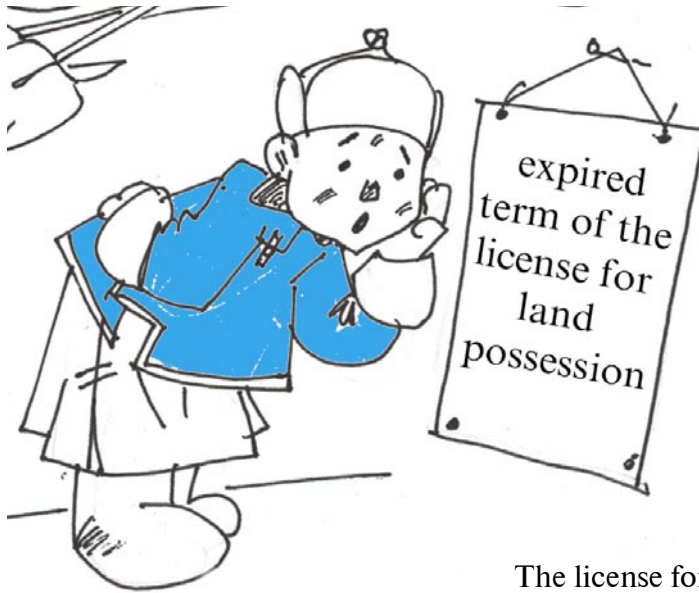


Where the possessor did not request to extend the term of the license for land possession after it had expired



Where the possessor requested the termination of the contract for land possession





The license for land possession was announced invalid



Where land was revoked for special needs and was fully compensated to the possessor

## 15. Invalidating a license for land possession

Aimag, capital city, soum and district Governor has authority to invalidate license for land possession. If possessor of the license does not comply with all respective legal obligations concerning use and enjoyment of land.

In particular:

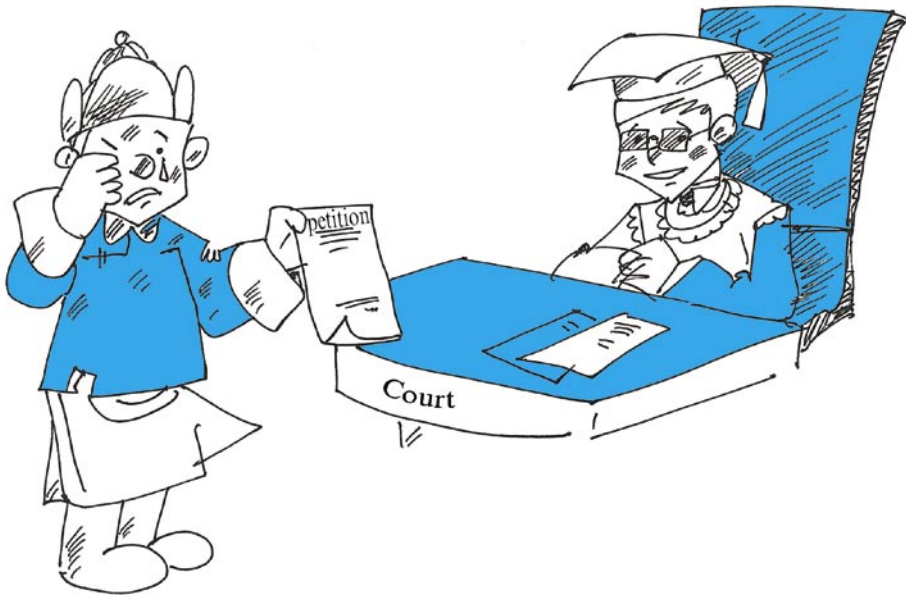
- Seriously or frequently violated provisions of land laws and contracts for land possession
- Did not comply with official requirements of environmental impact assessments



- Did not use land in accordance with contract purpose for 2 consecutive years without any respectable reason
- Used the land adversely against health of population, environmental protection and national security
- The receiver of license did not register and did not renew contract of the transferred license for land possession
- Did not pay land fees fully in due time

### 15.1. Appealing against a decisions to invalidate a license for land possession

A licensed possessor of land has the right to file a complaint to a court by law if he/she believes that the order of an aimag, the capital city, soum or district Governor to invalidate his/her license for land possession was wrong or unreasonable. According to the law, he/she has to make an appeal to the relevant court within in 10 working days following the issue of Governor's order. Once an official complaint has been made, no new license for that land may be issued until a valid court decision would be made.



## 16. Vacating land upon termination of a license for possession



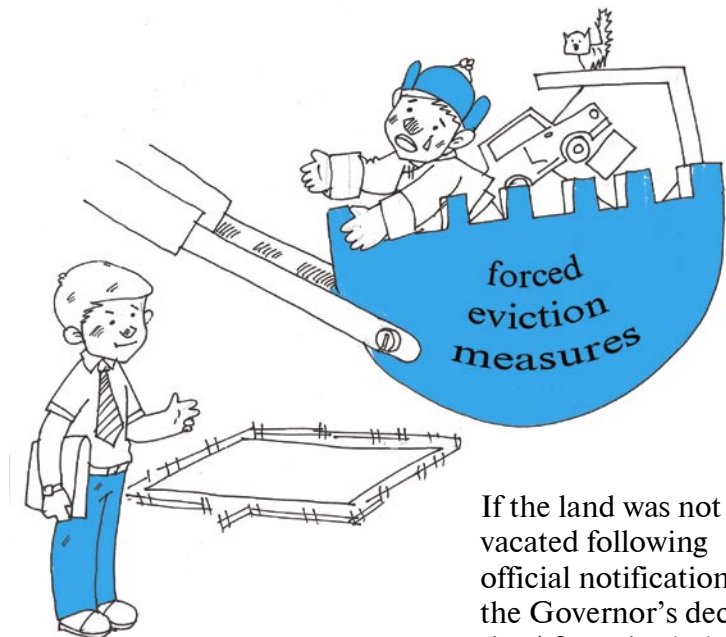
Upon termination of a license for land possession or land use all rights to possess and use buildings, constructions and other property on the land shall also be terminated without compensation unless otherwise provided by law or contractual agreement.



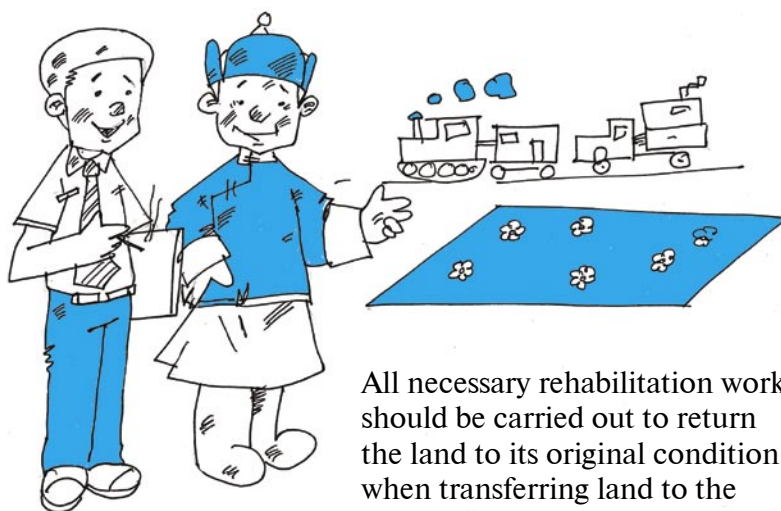
If, based on the assessment made by a professional organization that land can no longer be used for its initial purpose due to natural disaster, the land possessor should submit a request to terminate the land possession contract. Any land rehabilitation expenses can be financed from the state budget. However, the costs of removing constructions, buildings and other property on the land shall be borne by the holder of the land possession license.



Unless otherwise stipulated in the land possession contract, the former possessor shall vacate and transfer the land to Governor of a soum or district within 90 days following termination of license. In addition, the possessor shall bear all expenses related to vacating land, except where land is revoked for government special needs.



If the land was not vacated following official notification of the Governor's decision then forced eviction measures shall be taken.



All necessary rehabilitation works should be carried out to return the land to its original condition when transferring land to the Governor.

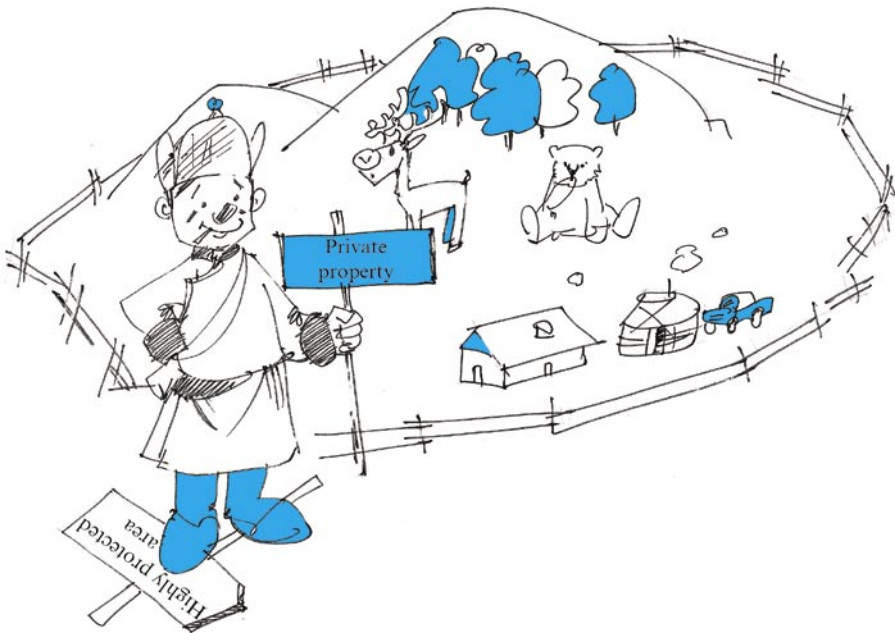


Disputes arising with regard to conditions of real estate and other property located on the land upon termination of its license for possession or use, shall all be settled in accordance with provisions concerning settlement of land related disputes.



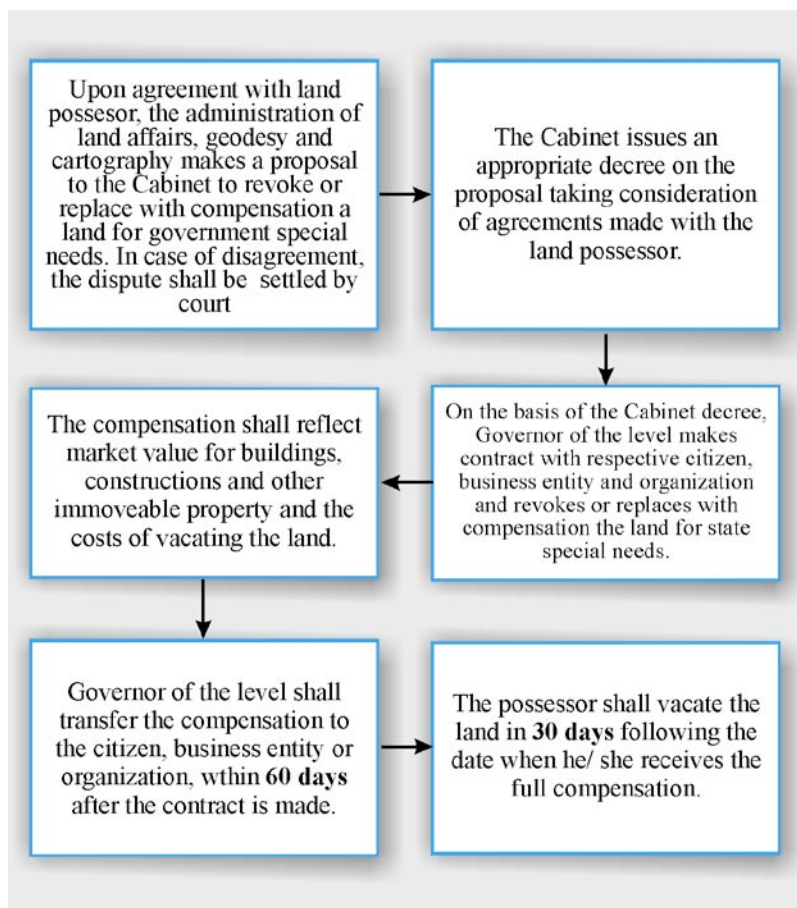
### Forced eviction of land

If land had been used illegally or constructions were built without appropriate permissions, a Governor shall send a notification to the occupier ordering release of land. If land has not been vacated by the date indicated in the notification, forced eviction measures shall be put into effect. In such cases, the party at fault has to cover costs of releasing the land.



## 17. Land relations with respect to land possessed and used by others

Land possessed by citizens, business entities and organizations can be acquired as a whole or in part for government special needs. In such cases, the legitimate owner shall be compensated. The process shall be handled under following principles:



**If a fenced plot of land for private residence has to be revoked or replaced with compensation for state special needs, vacating shall be done only between 15th of May and 15th of September!!!**





## 18. Allocation of land for use to foreign states, international organizations, foreign legal entities, foreign diplomatic missions and consulates and resident representative offices of international organizations

The State Great Hural makes decision to allocate land for use to foreign states, international organizations and foreign legal entities under specific terms, rental and concession contracts and the Cabinet makes resolution on land boundaries and procedures of using the land.

At present, central public administration authority of land affairs drafts the procedure for allocating land to foreign entities. This is a relatively new practice. In the past, there was no practice to make rental or land concession contracts with foreign states and legal entities.

Terms, conditions and procedures for use of land by foreign diplomatic missions and consulates as well as resident representative offices of international organizations shall be defined by international treaties of Mongolia.

The principle of reciprocity shall be applied, if necessary, in setting the amount of fees for using land allocated to foreign diplomatic missions and consulates, as well as resident offices of international organizations.

At present, land fees for a foreign diplomatic mission are waived: the government applies the principle of mutual exemption of land fees.



## 19. Allocation of land for use to foreign citizens, stateless individuals and foreign invested business entities

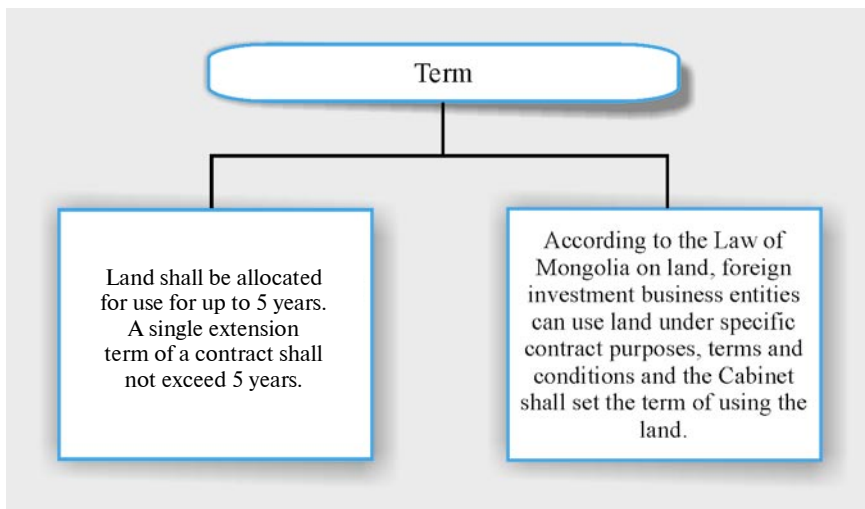
### Allocation of land for use

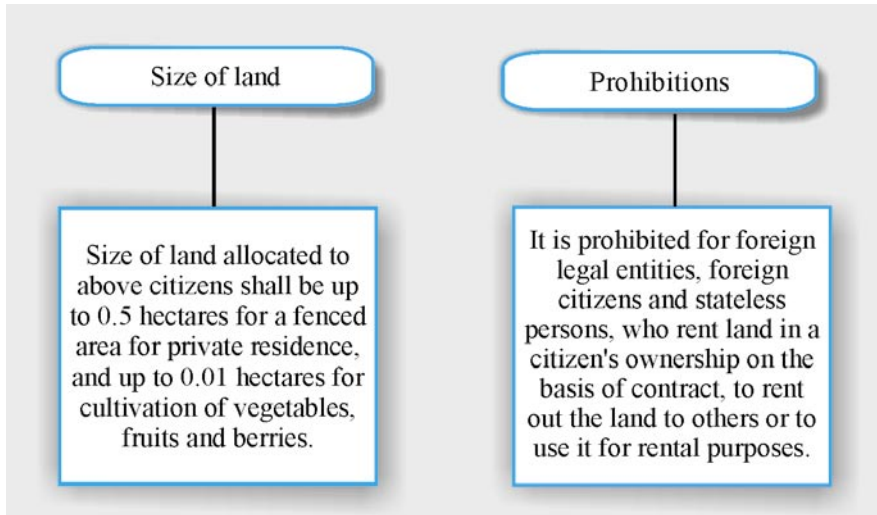
Foreign citizens, stateless individuals and foreign investment business entities can use land on the basis of specific purposes, terms, conditions and contract agreements in accordance with related laws.

Governor of the level makes decision on allocating land for the use to foreign citizens and stateless individuals permanently residing in Mongolia (for more than 183 days) through land auctions for their **household needs only**.

### Authority of Foreign Citizens' Affairs

Foreign citizens and stateless individuals shall provide a reference letter from the Authority of Foreign Citizens' Affairs to submit a request for using land.

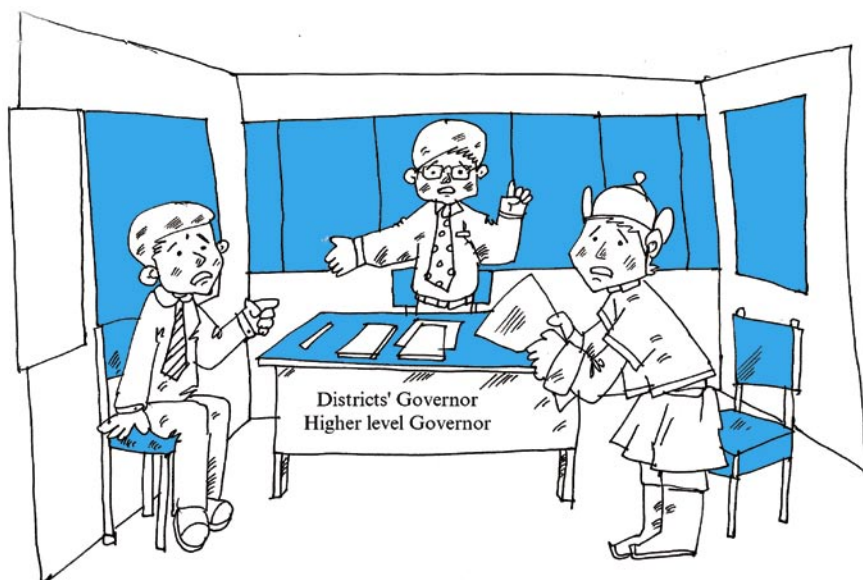




### Legal obligation

In case if a Mongolian citizen, business entity or organization allowed foreign citizens, stateless persons and foreign legal entities to use land in their possession without permission from respective authorities, contract for land possession and use shall be terminated and damages caused to the land shall be compensated by the possessor.

## 20. Settling land disputes



How should a land possession or land use dispute be resolved?

### Example

*Disputes over land possession and use between citizens, business entities or organizations and governors shall be settled by an aimag, capital city, soum and district Governor or by the Governor at a higher administrative level;*

*Disputes between citizens, business entities and organizations shall be settled by the Governor of the corresponding level.*

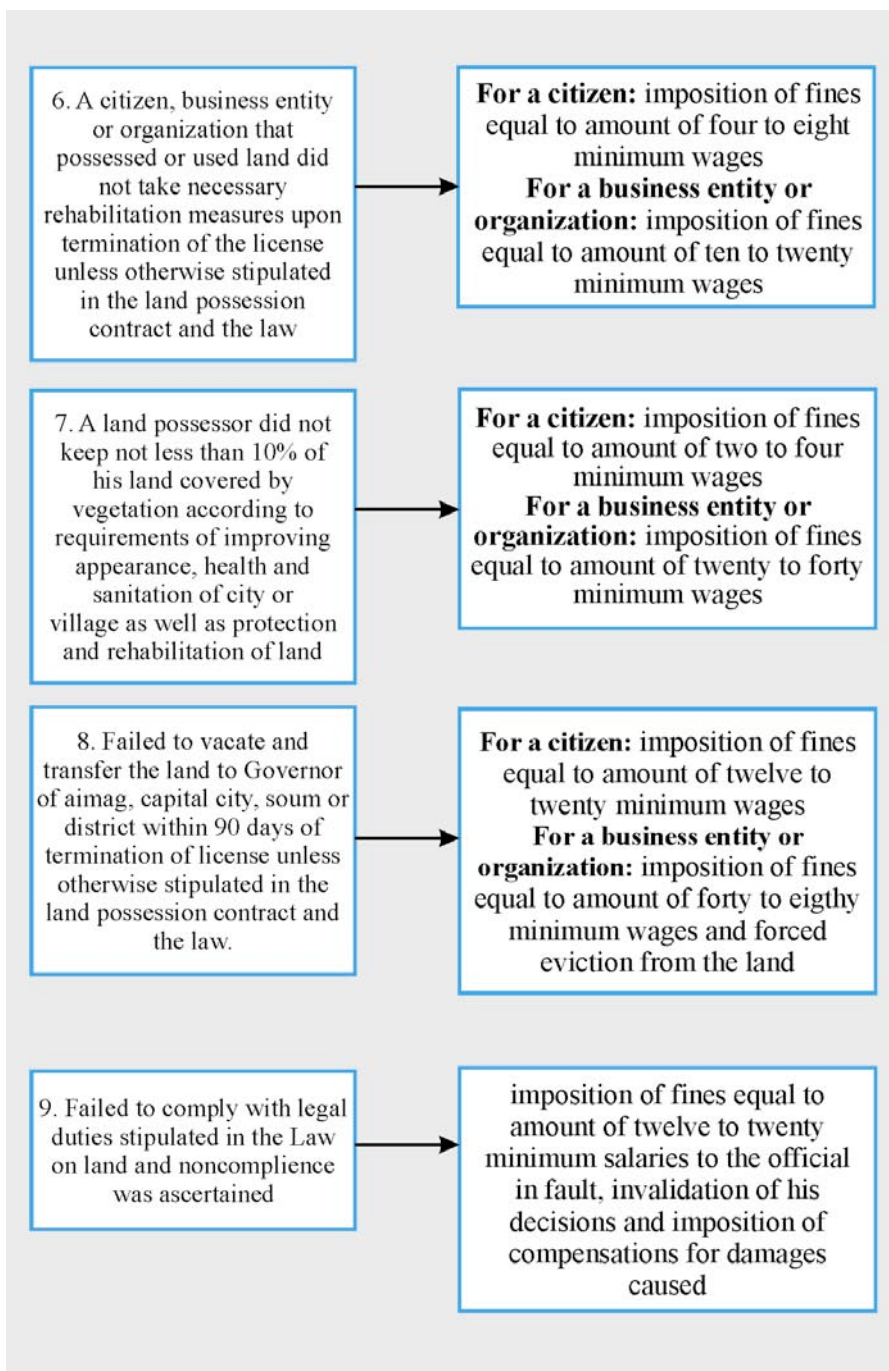
*Disputes concerning land conditions and quality, efficient and rational use or protection of land shall be settled by a specialist inspection officer and aimag, capital city, soum or district Governor in their respective role of verifying and reviewing the disputed decisions. Then they make a decision either to restore or to invalidate the disputed decision.*

*Disputes related to use of land by foreign investment business entities shall be settled under the same procedure.*

## 21. Sanctions for infringing of the 1994 Law on Land

State environmental control inspectors shall impose the following administrative sanctions unless the particular violation of the land legislation is subject to criminal sanctions.

Violation	Administrative sanction
1. Transfer or pledging of license to a foreign citizen or stateless person and failure register with the state registration in cases of transferring and pledging the license	<b>For a citizen:</b> imposition of fines equal to amount of four to ten minimum wages <b>For a business entity or organization:</b> imposition of fines equal to amount of twenty to forty minimum wages and termination of the contract for land possession and use
2. Failure to get land, in their possession or use, certified for its conditions and quality by state inspection and certification	<b>For a citizen:</b> imposition of fines equal to amount of one to four minimum wages <b>For a business entity or organization:</b> imposition of fines equal to amount of twelve to twenty minimum wages
3. Created a new crop field without authorised decision of relevant authorities	<b>For a citizen:</b> imposition of fines equal to amount of ten to twenty minimum wages <b>For a business entity or organization:</b> imposition of fines equal to amount of forty to eighty minimum wages along compensation of damages caused
4. Undertook unauthorised activities on the land for state special needs without appropriate permission	<b>For a citizen:</b> imposition of fines equal to amount of ten to twenty minimum wages <b>For a business entity or organization:</b> imposition of fines equal to amount of forty to eighty minimum wages along compensation of damages caused
5. Use of land without authorization of relevant authorities	<b>For a citizen:</b> imposition of fines equal to amount of ten to twenty minimum wages <b>For a business entity or organization:</b> imposition of fines equal to amount of forty to eighty minimum wages along compensation of damages caused

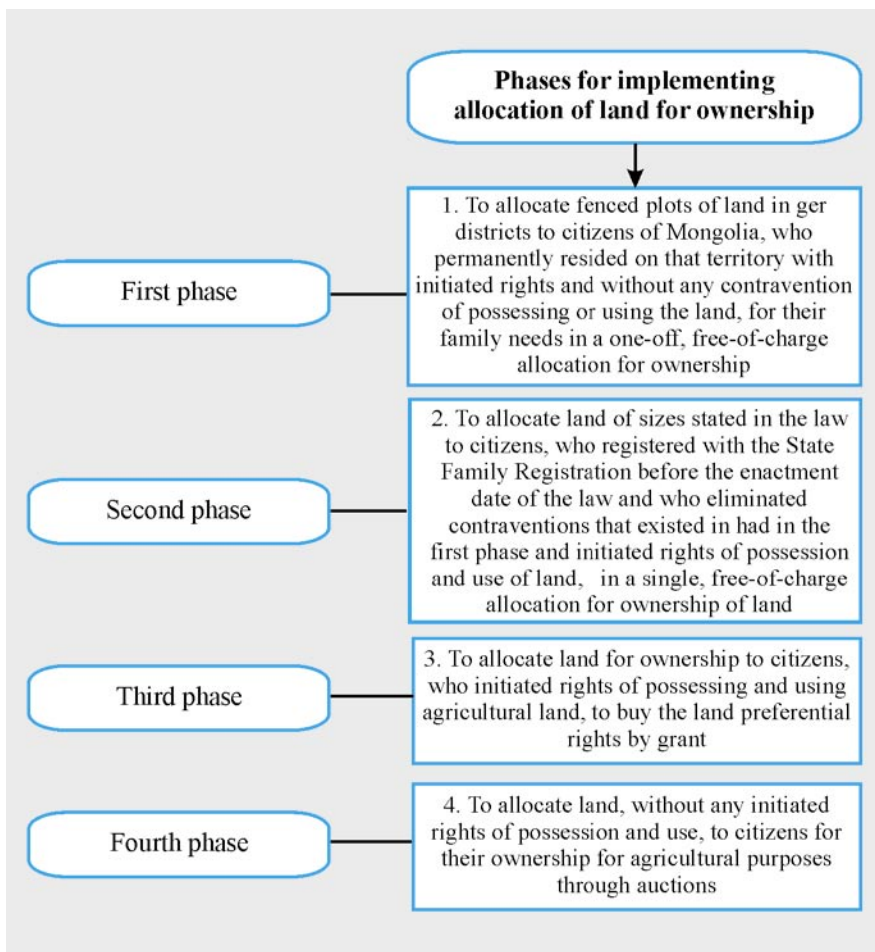




## 22. Phases of and guidelines for organizing allocation of land for ownership

The government of Mongolia decided to organize activities for allocation of land to citizens for ownership in consecutive phases within two year time-limit provided for in the Law on Allocation of Land to Mongolian Citizens for Ownership. A Cabinet meeting protocol that was issued, concluding that

a) It is best to organize activities for allocating land to citizens for ownership according to the following implementation phases:



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## Example

*Citizens of Tugrug soum of Govi-Altai aimag, Bold, Dorj, Galdan, Bazar and their families wanted to apply for land for ownership. As set out below, each applicant in different circumstances will be allocated land in different order.*

- 1. Bold's fenced plot for residence has been used by his family for many years. It was inherited from their ancestors and there are no outstanding contraventions of the 1994 Law on Land.*
- 2. Dorj registered his family with the soum Family Registration List before the enactment of the Law on Allocation of Land to Mongolian Citizens for Ownership in June 28, 2002. Although his land of residence did have a contravention of the 1994 Law on Land, he was able to remedy this contravention.*
- 3. Bazar made a request for new land for ownership for agricultural purposes. The land was not allocated to anybody else for either possession or use,.*
- 4. Galdan, who possesses agricultural land according to the 1994 Law on Land, made a request to own this land. He submitted his application when the Law on Allocation of Land to Mongolian Citizens for Ownership was enacted.*

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All above plots of land are included in the Annual Land Management Plan of Tugrug soum as land allocated for citizens' ownership.

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The four requests shall be settled in the following phases:

- |                             |   |
|-----------------------------|---|
| <b>In the first phase:</b>  | settlement for Bold and other citizens with similar requests and circumstances.   |
| <b>In the second phase:</b> | settlement for Dorj and other citizens with similar requests and circumstances.   |
| <b>In the third phase:</b>  | settlement for Galdan and other citizens with similar requests and circumstances. |
| <b>In the fourth phase:</b> | settlement for Bazar and other citizens with similar requests and circumstances.  |



b) Respective authorities shall follow the guidelines set out below in coordinating land allocation to Mongolian citizens for ownership for family needs.

Guidelines for allocating land for ownership:

1. If size of fenced plots of residential land, permanently resided with initiated rights of possession and use and without any contravention, is bigger than the legislated size or size of land in excess of legislated size of land doesn't exceed 25% of land's total size, then the exceeding part of land shall be allocated to its possessor/user for ownership with with preferential rights through selling

2. Shall allocate a legislated size of land to citizens, possessing and using land except indicated in the provision 1, for ownership for their family needs free of charge and take exceeding parts of possessed land for reserve fund designed for reallocation

3. When citizens take land for ownership for their family needs by a single and free-of-charge allocation, they shall choose land either in their possession or use or a new land allowed for citizens' ownership as reflected in the land management plan (in case of choosing new land for ownership, shall not initiate rights of possession and use on their current land of residence).

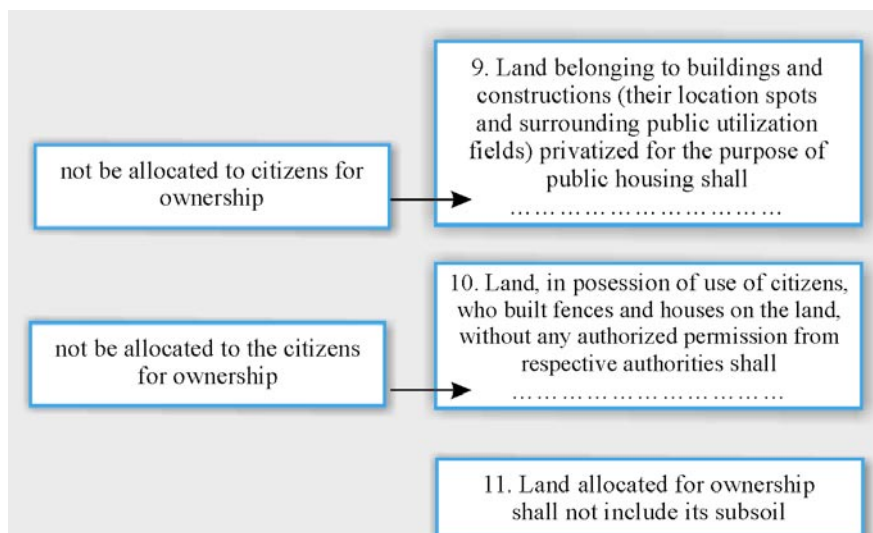
4. In case of several families residing in one fenced plot of land, the fenced land shall be allocated for ownership to the family who possesses the land and other families have rights to own a legislated size of land from those allowed for citizens' ownership as reflected in land management plans. But, if the possessor of fenced land agrees, other families may take their own shares of land for their private ownership

5. Land, possessed and used by citizens and their families in their collective/joint possession with purposes of cultivating vegetables, shall be sold to the possessor for ownership at its price

6. In case if citizens obtained land for possession by a Governor's order issued before January 1, 2003, but haven't received their license for possessing and using land at the time, the land shall be allocated free of charge to the citizen on the basis of Governor's order, after the citizen completes compilation of relevant documents

7. Land with initiated rights of possession and use of citizens for the purpose of conducting economic activities without any contravention, shall be sold for their ownership

8. Land under buildings and constructions with collective ownership of citizens shall be sold for their ownership



Let us see how would the following requests be settled in accordance with above guidelines:

### Example

*Mendbayar, citizen of Bayanzurkh district of capital city, possesses 0.04 hectares of land. In this case, he has two choices:*

*First: To acquire the 0.4 hectares of land in his possession for ownership free of charge*

*Second: Or to apply for a new plot of land*

*If Mendbayar makes the second choice, the fenced land of his current residence will be confiscated and a new plot shall be allocated to him free of charge, according to the 3rd principle of the above guideline.*

### Example

*Families of Dorj and Bold spend winters in the residential fenced plot of Gansukh, a citizen of Umnudelger soum, Khentii aimag. Under the Law on Allocation of Land to Mongolian Citizens for Ownership, Gansukh's family has rights to apply for ownership of their fenced area. Families of Dorj and Bold have the right to apply for ownership of land and, if Gansukh agrees, these families can take their own shares of land on the territory of Gansukh's fenced plot of land for their private ownership, according to the 4th principle of the above guideline.*

---

### Example

*Gombo, citizen of Tsenkher soum of Arkhangai aimag, possessed 700 sq.m of land for family needs under Governor's Order No. 08, of November 20, 2002 or before January 1, 2003, the date on which the Law on Land was enacted. However, he did not receive his license for land possession until February, 2003.*

*In this case, Gombo, has the right to own the land free of charge, having completed related documents, according to the principle 6 of the guideline.*

---



## 23. State Certification of Status, Quality and Valuation of Land to be allocated for citizens' ownership

### 23.1. Certification of status and quality of land

This certification refers to reassessment of main indicators of status and quality of land at occasions specified by law. The results are then compared with baseline indicators established when land was initially taken under state control, for the purpose of exercising continuous state control over activities to enhance efficient and proper use and protection of land.

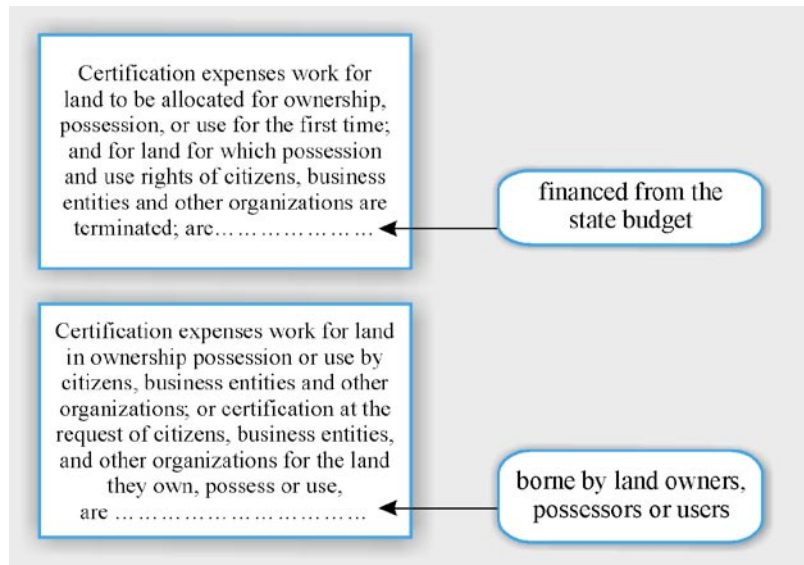
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Types of land that such certification needs to be performed:

Certification of quality and status applies to land to be allocated or already allocated for: ownership to citizens of Mongolia; possession and use to citizens, business entities, and organizations of Mongolia; and use to foreign countries, international organizations, foreign investment business entities, foreign citizens and stateless individuals in accordance with laws of Mongolia, as well as for state land that has not yet been allocated for ownership, possession or use.

Certification is performed at the request of citizens, business entities, and organizations owning, possessing or using the land as well as at each termination of possession or use rights.

Financing of certification expenses:



“Valuation of work for state certification of the status and quality of land” was approved by the Attachment 2 of the Government Resolution #103 of 2003,

Basic classification and types of land fund	Unit of measure	Expenses per 1000 hectares and 10 unit plot (MNT)
1.0. Agricultural land		
1.1. Pastures		
1.1.1. Mountainous region	hectares	7500.0
1.1.2. Steppe region	hectares	5000.0
1.1.3. Gobi region	hectares	4000.0
1.2. Hay making		
1.2.1. Mountainous region	hectares	18630.0
1.2.2. Steppe region	hectares	15520.0
1.2.3. Gobi region	number of plots	47500.0
1.3. Agronomy land		

1.3.1. Crop cultivation area	hectares	182700.0
1.3.2. Vegetable cultivation area	number of plots	81410.0
1.4. Fallow land	hectares	142400.0
1.5. Fruit and berry cultivation area	number of plots	936130.0
1.6. Land for agricultural constructions and facilities	number of plots	47500.0
1.7. Land for other agricultural industry needs	number of plots	47500.0
2.0. Urban and residential settlements land		
2.1. Areas of buildings and constructions and surrounding land	number of plots	31640.0
2.2. Common use land	number of plots	40780.0
2.3. Industrial land	number of plots	164330.0
2.4. Mining land	number of plots	254900.0
2.5. Ger districts land	number of fenced plots of land	48700.0
2.6. Other land	number of plots	60500.0

### Example

*Land certification needs to be done for 10 fenced plots of residential land in ger district of Tsetserleg soum, Arkhangai aimag.*

*According to the table above, total expense of certification work for 10 fenced plots of land in a ger district will be 48700 MNT and this amount should be financed from the state budget and not be borne by citizens who applied for ownership of these plots.*

*As for an owner of 1000 ha crop land, he/she should pay 182,700 MNT for the certification. According to the law, the owner is obliged to have such certification every five years.*

*The conclusion of the certification shall be attached to the real estate registration certificate issued to citizens owning land, or to land possession and use contracts concluded with citizens possessing or using land.*

## 23.2. Responsibilities of land owners, possessors and users with regard to certification

After receiving land for ownership based upon the certification of the status and quality of the land, the owner is responsible for having the certification process repeated every five years at his own cost, and for maintaining the quality and status of the owned land.

For land held in possession or use, maintenance of land status and quality is the responsibility of possessor or user, who are required to have state certification of land status and quality done as required by legislation.

### 23.3. Use of results of certification

Results of certification form the basis for assessing land quality and environmental status and for determining value land to privatize to citizens for agricultural purposes.

### 23.4. Valuation of land for allocation to citizens for ownership

Soum or district governors set values of land to be allocated for ownership based on the land base price and appropriate valuation methodology.

Government resolution # 152 of 1997 sets the base value for each category of land in the cities, villages and other settlements as well as value for each district of agricultural land, as shown in the table below.

#### Categories of land in cities, villages and other settlements and per-hectare (1 ha) base value

Settlement			
Category	Size of Population (thousand people)	Name	Base value (million MNT)
Capital city		Ulaanbaatar	440.0
State category towns	50.0-500.0	Darhan	300.0
		Erdenet	200.0
		Choibalsan	120.0
Aimag category towns	30.0-50.0	Uliastai, Ulgii, Murun, Tsetserleg, Hovd, Ulaangom, Sukhbaatar	50.0
	15.0-30.0	Bayanhongor, Undurhaan, Zuunmod, Baruun-Urt Sainshand, Dalanzadgad, Arvaiheer, Mandalgovi, Altai, Bulgan, Zuunharaa, Tosontsengel, Choir	40.0
Soum centers and villages	0.5-15.0	Soum centers	8.0
	0.5	Other settlements	5.0

### Base value of one hectare (1 ha) land in agricultural land valuation districts

#	Index for land valuation district	Base value for 1 ha (thousand MNT)			
		Pastureland	Cropland	Haymaking	
				Classification	Base value for 1 ha (thousand MNT)
1	Khangai Hentii Mountainous (HM)	548.2	3859.0	Mountain meadows	2478.3
2	Altai Mountainous (AM)	202.9	225.0	Semi-desert and mountains	2027.6
3	Gobi Steppes (GS)	208.6	1738.0	Steppes and valleys	912.2
4	Dominantly steppes land (S)	381.7	3843.4	River valleys	2090.9
				Low basin meadows	2675.3

The methodology for valuation of land to be allocated to citizens for ownership was enacted by the Government Resolution 103, Attachment 3, of 2003.

According to this methodology, price of land is set depending on the main purpose of land usage:

- a) Value of land for family needs and economic activities other than agriculture

In determining the value of such land a number of factors have to be considered, factors such as: the base value, the location, the presence of engineering infrastructure, and social, economic, environmental and ecological condition of the land.

To do so, base value for given towns, villages and other settlements set out in tables above should be multiplied by coefficients that reflect these other differentiating factors, so that the value of the land to be allocated for ownership is determined for each and every valuation zone.



According to the Law on Land Fee, the Citizens Representative Hural has the right to approve and enact coefficients for valuation zones. Currently, most of the aimags have 3-4 land valuation zones with Darkhan-Uul aimag having the most or 5 zones.

In brief then, the value of land, to be allocated for ownership for family purposes and for economic activities other than agriculture, should be determined for each valuation zone in a given town or other settlement. Price of land will vary depending on which valuation zone the land to be allocated for ownership belongs to.

Settlement Name	Value of 1 sq. m of land to be allocated for ownership for family needs and economic activities other than agriculture (in MNT)	
	Maximum	Minimum
Ulaanbaatar	44000	13200
Darkhan	30000	9000
Erdenet	20000	6000
Choibalsan	12000	3600
Other aimag centers	4000-5000	2000-2500
Other soum centers	800	480
Other settlements	500	300

### Example

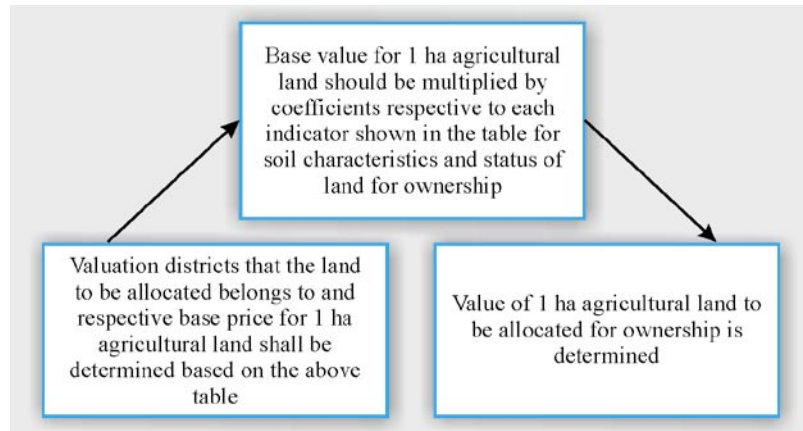
*Choibalsan town of Dornod aimag has 3 land valuation zones. According to the above table, price land for ownership in the outer, 3rd region for, family needs and economic activity purposes other than agriculture, will be 3600 MNT per sq. m.*

*In this case the value of 700 sq. m land owned by Chultem for family needs and located in the 3rd region can be calculated as follows:*

$$700 \text{ sq. m} \times 3600 \text{ MNT} = \text{MNT } 2.520.000$$

b/ Value of land to be allocated for ownership for agricultural purposes

Value of land to be allocated for ownership for agricultural purposes should be set per unit field and be determined by the state certification using the scheme outlined below.



### Adjustment coefficients to reflect soil characteristics and status of land to be allocated for ownership

#	Soil characteristics and status	Value	Adjustment Coefficients
1	Humus content (percents)	3.0 and above	1.0
		2.0-3.0	0.8
		1.0-2.0	0.6
		0.2-1.0	0.4
2	Humus layer thickness (cm)	30 and above	1.0
		25-30	0.9
		16-25	0.8
		10-15	0.7
3	Scope (degrees)	Less than 1°	1.0
		1-3°	0.9
		3-5°	0.8
		5-7°	0.6
4	Fossilization degree	Low	0.9
		Medium	0.8
		High	0.7
		Very high	0.6
5	Soil erosion and degradation degree	Non-degraded	1.0
		Small degradation	0.8
		Medium	0.6
		Strong degradation	0.4

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## Example

*Let us calculate the value of 100 ha agricultural land with unit field number 9/234 of Mr. Dorjgotov, resident of Mandal soum, Selenge aimag. According to the table, base value of 1 ha land situated in the Khangai Hentii mountainous district is 3859,0 thousand MNT.*

*Following coefficients were selected for indicators of soil quality and status for this land:*

*By multiplying the base value of 1 ha agricultural land in Khangai Hentii mountainous district by the selected coefficients, we arrive at the value of 1 ha agricultural land with field number 9/234:*

$$3,859,000 \text{ MNT/ha} * 0.6 * 0.8 * 0.9 * 0.9 * 0.6 = 900,227 \text{ MNT/ha}$$

*So the value of Mr. Dorjgotov's 100 ha agricultural land with field number 9/234 is:*

$$900,227 \text{ MNT/ha} * 100 \text{ ha} = 90,022,700 \text{ MNT.}$$

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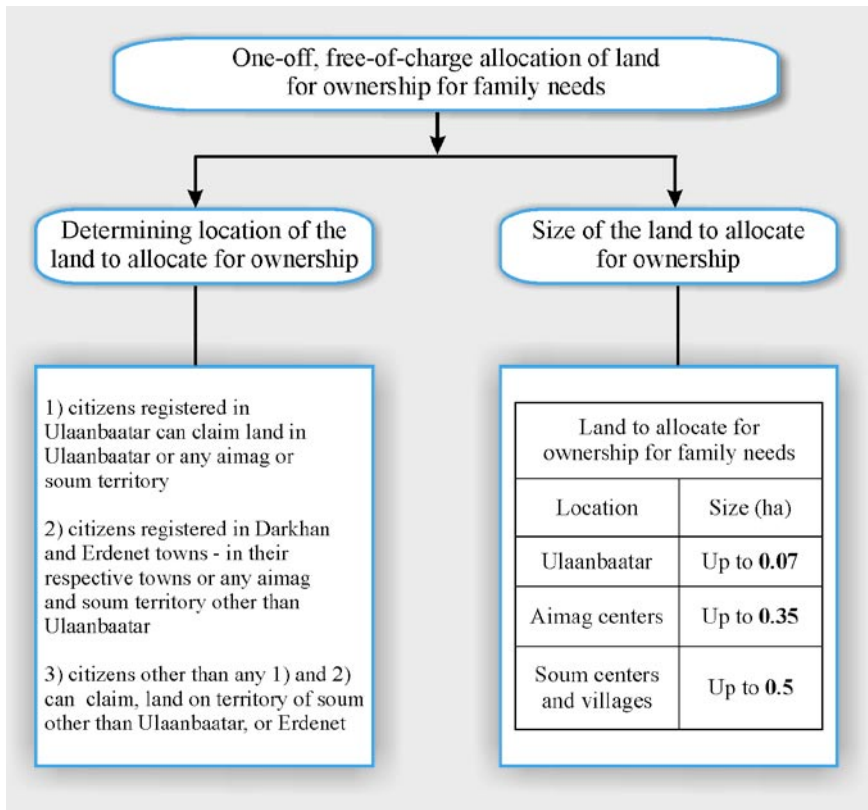
#	Soil characteristics and status	Value	Adjustment coefficients
	Humus content (percents)	1.09	0.6
2	Humus layer thickness (cm)	20	0.8
3	Scope (degrees)	1-3°	0.9
4	Fossilization degree	Low	0.9
5	Soil erosion and degradation degree	Medium	0.6

## 24. Purpose, size and location of land to be allocated to citizens for ownership

Land is allocated to citizens for the following purposes:

1. Family needs
2. Economic activity
  - Agricultural
  - Economic activities other than agricultural

1. Depending on its location and purpose of utilization, land of the following sizes can be allocated once and free of charge for ownership for family needs:



**Foreign and stateless spouses of Mongolian citizens are not entitled to land ownership and only their family members, who are citizens of Mongolia, have rights to own land**

## Recommendation

Only citizens of Mongolia with family registrations valid as of the day the Law on Allocation of Land for Ownership to Citizens of Mongolia was enacted, or June 28, 2002 will be eligible for free land for ownership for only one time for family needs purposes. Families who registered after this date are not eligible for free land for ownership.

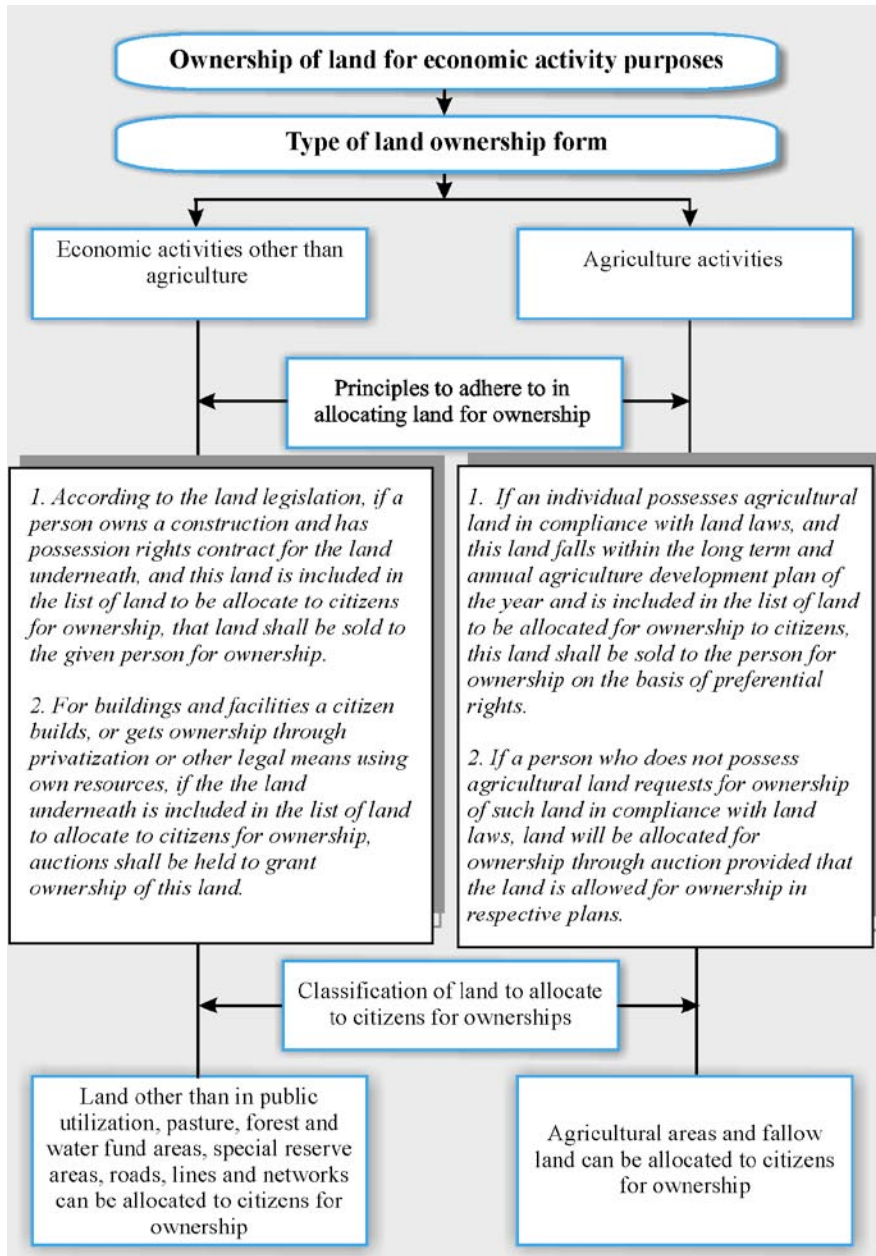
Citizens without registration with an administrative or territorial unit authority as of the day the above law was enacted, will be eligible for one off, free-of-charge ownership of land on the basis of resolving the citizen registration issues in accordance with the laws of Mongolia. But this is pertinent only to migrants who will become eligible for free, one time land ownership upon registering with local authorities.

Free and single allocation of land to citizens for ownership for family purposes will be completed in two years starting from May 1, 2003 and finishing on May 1, 2005. It does not mean after this date the allocation of land for ownership will stop, it only means that land will no longer be allocated for free. The right to get own land for a fee and in compliance with laws remains open.

If you possess land included in the list of land to allocate to citizens for ownership reflected in the General and Annual Land Management Plans in accordance with the Law on Land, you are allowed to get that land for ownership.

But if the land is not reflected in the plans, you can get land on a priority basis from lands reflected in the plans and not yet claimed for possession or use by other citizens.

2. Citizens can own land for the purpose of conducting economic activities under the following principles.

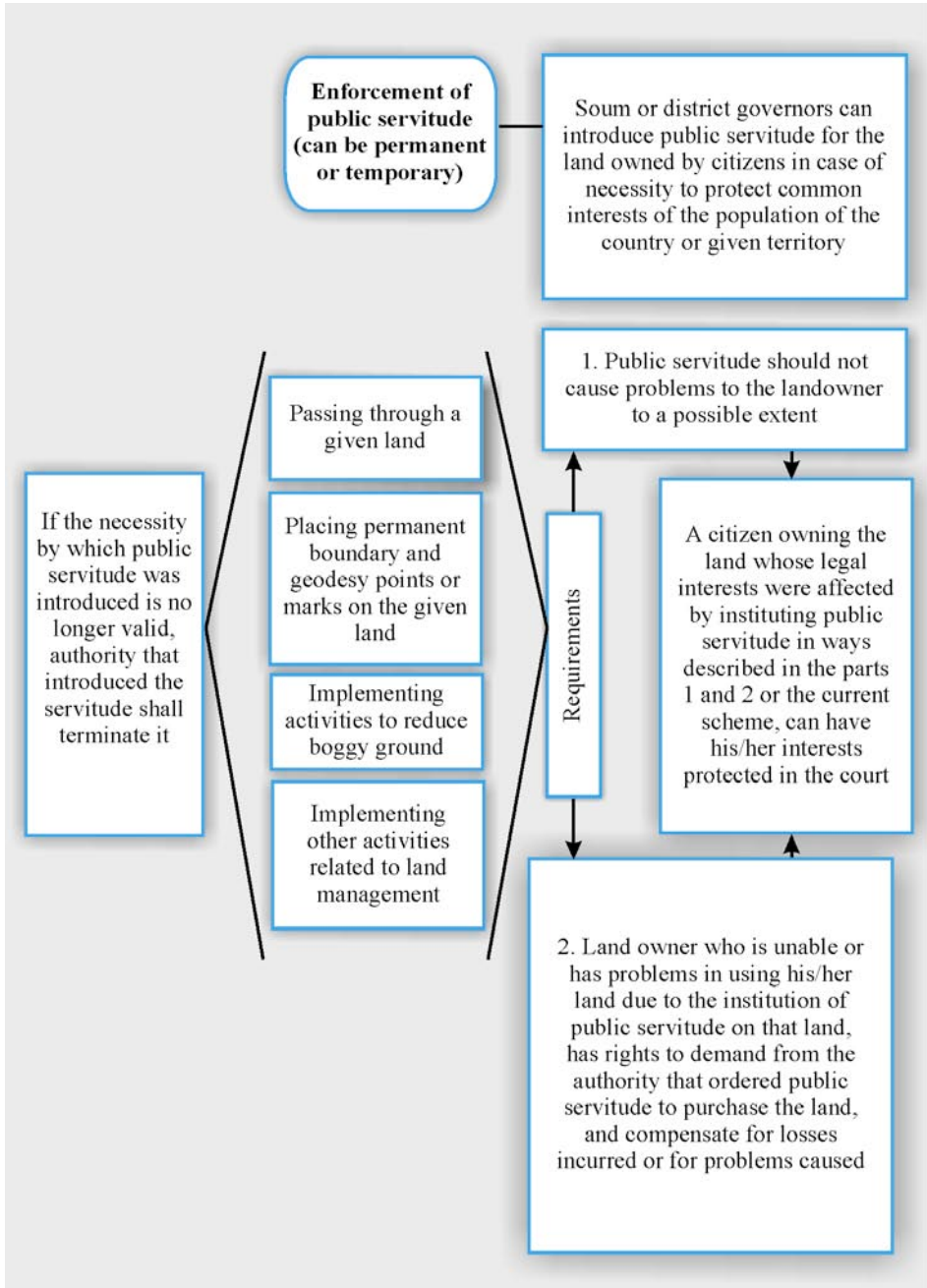


## 25. Rights and duties of land owning citizens

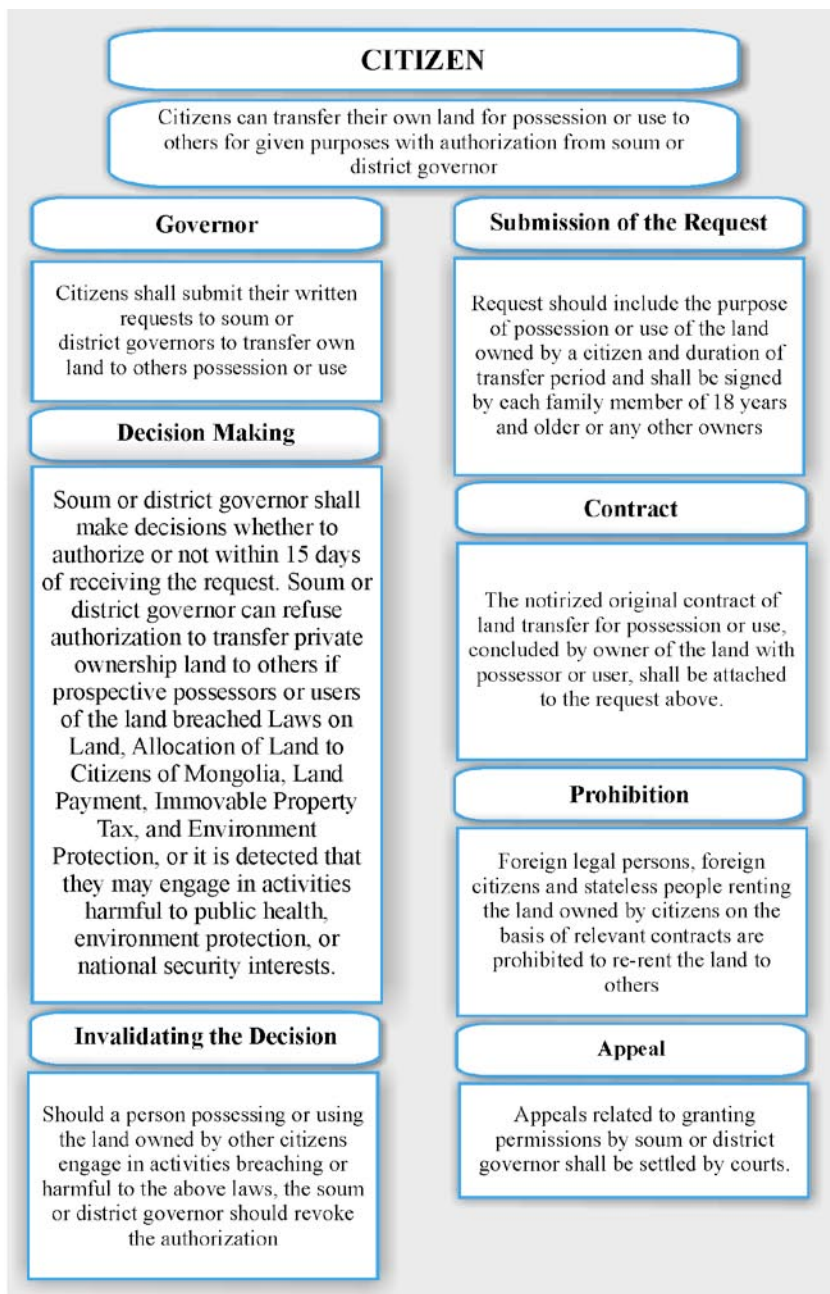
#	Owner's Rights	#	Owner's Duties
1	To possess, use, and administer land without violating the rights of other persons granted by laws or other contracts and within legally defined area and limits	1	Comply with Land Law, the Law on the Allocation of Land for Ownership to Citizens of Mongolia, other relevant legislation and decisions of authorities issued in relation to implementation of these legal acts
2	Give the land owned to others for possession or use in compliance with the Article 29 of the Law on Allocation of Land for Ownership to Citizens of Mongolia	2	Use agricultural land for specified purposes
3	Dispose of the land by means of selling, passing on as inheritance, or gift, and mortgaging	3	Register the land with the cadastral and real estate registration; register with the real estate registration all contract for transferring land to others for ownership, giving for possession or use, or using land as collateral
4	Receive payments on the basis of mutual agreement for temporary transfer of the land for public use or special needs	4	Protect and maintain boundary and geodesy mark points placed on the land owned
5	Use commonly available minerals of the land owned for family needs purposes and dig and use wells in compliance with relevant laws	5	Do not engage in any activities that are harmful to legal rights and interests of other land owners, possessors and users, restrain from conducting activities on the land owned that are harmful to environment and health of the population
6	Build and use constructions and engineering infrastructure on the land owned in compliance with relevant laws and standards, procedures and rules issued by relevant authorities	6	Maintain conditions and quality of the land
7	Receive compensation as specified by law in cases of replacing or revoking the land owned due to existence of state special needs	7	Comply with construction, ecology, sanitation, health, fire safety and other standards, procedures, rules and requirements in using the owned land
8	Other rights and preferential rights as specified in the law	8	Have state certification of owned land status and quality done by an authorized entity at owner's expense every five years
		9	Other duties and responsibilities specified in laws and regulation



## 26. Limitation of Land Owner Citizen's Rights (Servitude)



## 27. Transferring land for possession or use of others



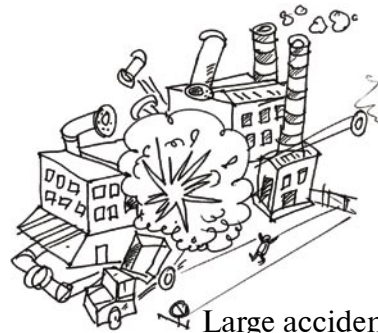
## 28. Mobilization of Land Owned by Citizens

There are circumstances when land in citizens' ownership can be temporarily mobilized. Aimag, capital city, soum or district governors are authorised to make such decisions. Any losses that are incurred by land owning citizens due to mobilization shall be compensated from the state budget. If the land cannot be returned to the owner, the value of land and losses should at current market rates. Alternatively, land that is not lower in quality from the land mobilized the owner can be compensated by being provided another. Should the sides disagree over valuation, fees or the newly allocated land, the matter will be settled by the courts.

Cases when the land owned by citizens can be mobilized on a temporary basis for the purposes of protecting population, animals, or property by the decision of a governor



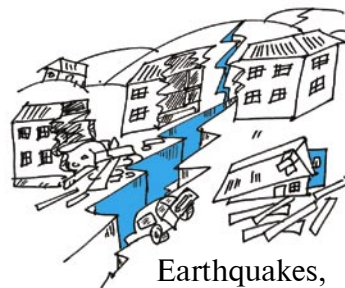
Fires



Large accidents



Flooding



Earthquakes,  
storms



Droughts



Highly contagious diseases



Dzud (Heavy snowfall)

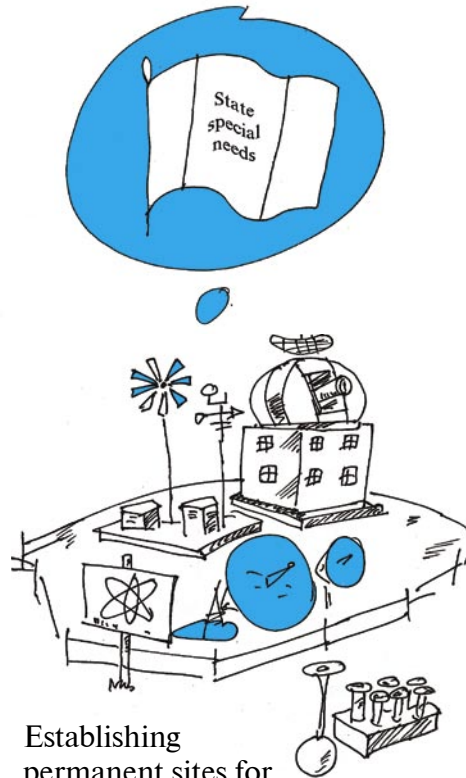
All losses incurred to the owner due to land mobilization shall be compensated if mobilized land can not be returned to owner, the owner shall be compensated with amount equal to the land's market value, or shall be provided with another land of similar or better quality. Disputes over mobilized land shall be taken to the court.

## 28.1 REPLACING OR REVOKING ALL OR PART OF PRIVATELY OWNED LAND ON THE BASIS OF THE STATE SPECIAL NEEDS

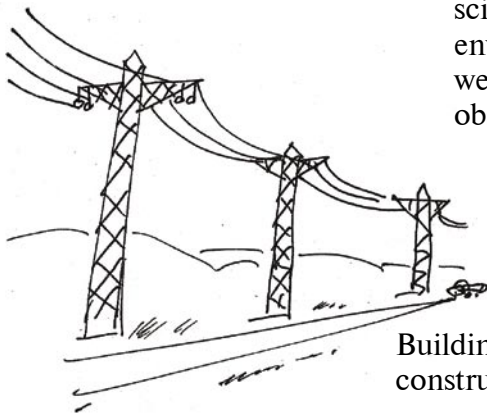
*What land is considered as land for state special needs?*



Ensuring national defense and security



Establishing permanent sites for scientific testing or environmental or weather forecast observations



Building state level roads, networks, constructions and facilities



## 28.2 Replacing or revoking land owned by citizens on the basis of the state special needs

### Example

*Bat's own land is to be replaced or revoked. In this case, what should Bat know about?*

State organization in charge of land affairs should agree with you to replace or revoke the land in your ownership least one year in advance. The agreement should include the following points:

1. Land value;
2. Value of immovable property on that land;
3. Amount of losses that you might incur due to the replacement or revoking of land and property in relation to state special needs;
4. Size of land to be taken for state special needs;
5. Location, size, status and quality of land you will be replaced with;
6. Land vacation conditions and period;
7. Amount of the compensation and procedures for its payment; and
8. Responsibilities of the sides in relation to land vacation.



The reimbursement should be paid from the state budget.

The dispute is settled at the court. In case of failure to reach agreement, the Cabinet of Ministers makes a resolution to replace or revoke land in citizens ownership for the state's special needs.

## 28.3 Dispossession of land owned by citizens



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### Example

*Bat had allowed foreign citizens to possess his land without relevant permissions, and the tenant engaged in activities harmful to public health and environment. Court issued a decision to seize the land.*

### Explanation

*If land owner or persons possessing or using his/her land on the basis of certain permissions engages in activities prohibited to land owners, the land can be dispossessed by court decision.*

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## 29. Ensuring land ownership rights of citizens



Other persons are prohibited to cause any type of obstacles to a citizen in enjoying his land ownership rights

If a citizen views that a state organization or official caused illegal hindrance in his/her exercising of land ownership rights, they can complain to the respective upper level organization or official

Upper level organization or official

Organization or official who received the complaint shall consider the issue, make decision and provide a written answer to the citizen within 30 days

Court

Should citizens not get response within 30 days, they shall submit their complaint to courts



## Reinstating violated land ownership rights of citizens



### Court

If land ownership rights of citizens are violated, the rights shall be reinstated by court decisions

### State Registration Agency of Immovable Property of the administration of land affairs, geodesy and cartography

The validated court decision to reinstate citizen's rights to own land shall be a legal basis for state registering of the land and issue of a state registration certificate to the owner in accordance with the immovable property registration regulations

### Public Administration and Local Self Governing Bodies

Losses, incurred to a citizen due to decisions violating lawful land ownership rights of a citizen and in breach of public administration and local self governing body regulations, shall be compensated by the organization that made the decision

The entity that violated the land ownership rights of a citizen shall compensate him/her in full for lossess caused, including loss of income that would have been gained in accordance with civic code and regulations

## 30. Sanctions for infringing the Law on Allocation of Land for Ownership to Citizens of Mongolia

#	Law provisions	Sanctions
1	<ul style="list-style-type: none"> <li>Producing cadastral map of state land registration in line with the provision of Law on Cadastre Mapping and Land Cadastre</li> <li>Marking the boundaries of land owned</li> <li>Have state certification of the status and quality of the land requested for ownership</li> <li>Compiling correct and accurate documentation required for land ownership, as provided in Article 20 of the Law on the Allocation of Land for Ownership to Citizens of Mongolia</li> <li>Implementing the Law on Land, the Law on the Allocation of Land for Ownership to Citizens of Mongolia, other regulations issued by authorized state institutions in relation to the implementation of these laws</li> </ul>	Court or State Environment Protection Inspectors can set penalties of 10,000-20,000 MNT.
2	<ul style="list-style-type: none"> <li>Registering the land owned with cadastral and immovable property registration, registering all contracts related to transfer of land for ownership of others, or giving land for possession or use to others, or using land as collateral with the immovable property registration</li> <li>Protecting and maintaining boundary and geodesy points or marks placed on the land owned</li> <li>Maintain the status and quality of the land</li> </ul>	Citizens violating these items shall be penalized by fines of 30,000-50,000 MNT
3	<ul style="list-style-type: none"> <li>Complying with construction, ecology, sanitation, health and fire protection and other regulations and procedures in the process of using the land owned</li> <li>Having state certification of the conditions and quality of land carried out by an authorized organization every five years at the expense of the owner.</li> </ul>	Citizens violating these items shall be penalized by fines of 20,000-30,000 MNT
4	Others are prohibited to cause hindrance in any form to citizens in exercising their land ownership rights	Officials violating this provision shall be levied a penalty of 50,000-60,000 MNT by a judge

## 31. Establishing and terminating citizens land ownership rights

### 31.1. Establishing land ownership rights of citizens and handing over land to citizens via land management

1. Citizens shall pay price of land taken for ownership to soum or district budget before registering with the immovable property registration agency
2. For land allocated to a citizen for ownership in compliance with the Law on Allocation of Land to Citizens for Ownership and on the basis of authorized governor's decision, the State Immoveable Property Registration Agency shall issue a State Immoveable Property Registration Certificate asserting the citizen being owner of a given land, according to immovable property registration legislation.
3. Citizen's rights to own land will be validated upon registration.

**Soum land administration officers and district departments of land affairs shall set boundaries and make marks of the land to allocate to citizens for ownership and hand over the land to the owners with its documentation**

### 31.2. Letting privately owned land to others for possession or use

#### **Citizens let their land to others for their use or possession in the following situations**

1. Transferring own land to the ownership of other citizens

2. Relinquishing land ownership rights

3. Land owner-citizen relinquishes citizenship of Mongolia

4. Other reasons provisioned by legislation



## 32. Taxes and Fees on Land

It is a basic principle of market relations, that a private property is subject to taxation. Since land is a property, land owners are obliged to pay real estate taxes every year. If land is held for use or for possession, then the user or possessor has to pay land fees. Although both land tax and land fees are forms of taxation, amounts are set in different legal acts. Citizen's land ownership or possession rights are ensured year by year through payments of a related land tax or fee.

A real estate tax is imposed according to the Law on Real Estate Taxes. Initially, a taxable value of real estate shall be determined as explained in section 23.4 of this guidebook. A real estate tax is estimated at 0.6 percent of taxable value. Since land has only recently been allocated for private ownership in Mongolia, following forms of tax relief are available in order to facilitate land privatization & promote introduction of land in market relations turnover.

### Real Estate Tax Discounts for Land Ownership

Location of the land	Ownership purpose and rate of discount		
	For family needs	Business purposes except for agriculture	Agricultural
Capital city	95	30	95
Aimag centers	97	70	
Soum centers, villages	98	85	

Citizens shall pay this tax once a year by February 1st.

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## Example

*Mr. Chultem, a citizen of Choibalsan town, Dornod aimag, acquired 0.07 ha of land situated in the 3rd land valuation zone for his family needs. The price of land was estimated at 2,520,000 MNT (For calculation methodology please see the example in part 23.4) therefore land tax is calculated as follows:*

*2,520,000 MNT \* 0.6 % = 15,210 MNT. This tax shall be reduced by 97 percent so that the land tax is just 453.6 MNT per year.*

*If Mr. Chultem prefers to possess the land he has to pay land fees, which are:*

*0.007 ha or 700 m<sup>2</sup> x 12 MNT = 8400 MNT. According to the Law on Land Fees, this amount is subject to a 90 discount, meaning that the land fee is 840 MNT per year.*

*As we can see from the above example, official annual land tax is less than land fees payable in case of land possession or use.*

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### 33. State control over unified land fund



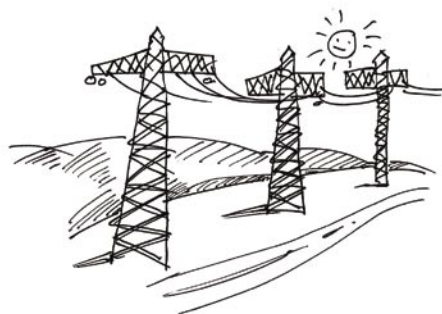
State Control

Control of Professional Institutions

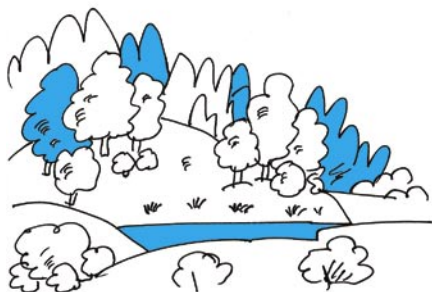
Control over Unified Land Fund



Agricultural land



Land for roads and networks



Forest fund

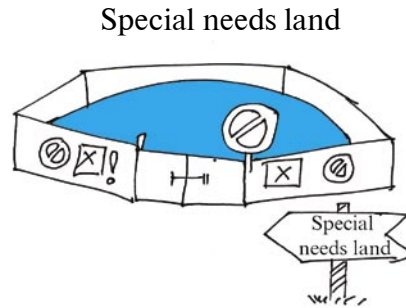


Water fund





Urban and residential land



The government, authorised government organisations, aimag, capital city, soum, district Citizens Representative Hurals and governors shall monitor the possession, use, and protection of the Unified Land Fund as well as implementation of land legislations, within the framework of power and authorities provided by the legislation.

Professional inspection of land should be carried out by the Environmental Inspection Authority as well as professional authority on flora, quarantine, health, geology, and mining.



## Attachment 1.

### Issues of most concern to citizens regarding implementation of the Law on Land and the Law on Allocation of Land for Ownership to Citizens of Mongolia

As of 1 August, 2003 The Administration of Land Affairs, Geodesy and Cartography received more than thousand questions, some of which are answered below with reference to the Law on Land, the Law on the Allocation of Land for Ownership to Citizens of Mongolia, as well as related governmental resolutions.

#### Example 1

Bold is very interested in land possession and ownership issues, but does not know much about the relevant legislation. He asks how can he access legal information.

The Law on Land and the Law on Allocation of Land for Ownership to Citizens of Mongolia were published in the 2002 issue # 27 of the “Turiin Medeelel bulletin”. Government resolutions adopted in relation to the above laws had been published in Unen newspaper since 15 February 2003. Also, all relevant information can be found at the website of Open Society Forum, <http://www.forum.mn>

#### Example 2

Sukh has 8 children, five of which are 18 years and older. He asks if his five children are eligible for free ownership of land.

All families that were officially registered before 28 June 2002, are eligible for all those, allocation of land for ownership for family needs for free which means that all of his children who registered their own families before that day are eligible for free land for ownership. Children who are single, but are registered as separate single person households are also eligible to claim land for ownership.

### Example 3

Bat was married before 28 June 2002 but is not registered with relevant administrative authorities. Is he eligible for land ownership free of charge?

Citizens of Mongolia who have families as of June 2002, but who don't have administrative registration can enjoy their rights for free private land for family use purposes upon registration of their migration with appropriate administrative units. They should submit their requests before 1 of May 2005, and the land in question must be included in the soum or district land management plan. This provision does not apply to citizens who have moved after the law was passed.

### Example 4

Suren lives in Ulaanbaatar and currently possesses a fenced plot of land of 0.04 ha which she uses for residential purposes. She asks if she is entitled to claim an additional 0.03 ha of land for ownership in another location, since the law allows for free ownership of 0.07 ha land.

The law says that up to 0.07 ha land can be allocated once and free-of-charge, therefore, the claim for additional 0.03 ha can be rejected. But if the Citizen's Representative Hural provides in the Urban Development and District Land Management Plans for additional grants of land to reach the maximum of 0.07 ha, then the additional land could be granted.

### Example 5

Dorj applied for land possession to his soum governor, but received a refusal. He wants to know if he can request land in another aimag or soum territory.

Dorj should first find out about the reasons for the initial refusal. It may be that the application request did not meet minimum requirements, or the land asked for is not included in the given year's Land Management Plan. In general, a soum resident can apply for land on any territory other than Ulaanbaatar, Darkhan, or Erdenet cities.

### Example 6

Lhagva received 0.07 ha land for constructing own house.

In addition, he would like to apply for 0.1 ha land for family use vegetable cultivation in the area adjacent to his own 0.07 ha land.

The Law on Land provides that an area for vegetable, berry and crop cultivation can be located adjacent to a private residential area or in the area specifically designated for that purpose. So Lhagva may possess such a plot, but only if the land is included in the land management plan.

#### Example 7

Kadyr lives in Ulaanhus soum, Bayan-Ulgii aimag. He needs to get closer to school in Ulaanbaatar, and wonders if he can apply for land for residential purposes.

The Law on Procedures to Confirm the Law on Allocation of Land to Citizens of Mongolia for Ownership does not allocate land in Ulaanbaatar for free to those living in other parts of the country.

#### Example 8

Nyam intends to own a plot of land, but is unsure whether he will pay land fees.

There are no land fees for privately owned land, instead private owners pay immovable property taxes. Only land in one's possession is subject to land fees.

Please see chapter 32 on page 98 for more information on this matter.

#### Example 9

Donrov's garage is located on land possessed by others. He is wondering if he should move the garage or not.

Even though the garage is located on the land possessed by others, Donrov has the right to possess that land on the limited rights basis upon mutual agreement with the possessor of the land.

#### Example 10

Dondog has a license to possess 10 ha land in accordance with the old law. Does he need to get a new license?

Yes. Even though old licenses have not been invalidated

the new legislation sets the maximum size of land that citizens, that entities and other organizations can possess, so everybody should comply these requirements. Also, new licenses are different from the old ones, because they have values and provide ownership with possibility to use them for economic transactions such as using for collateral or transferring.

#### Example 11

Dalhjav runs a private tourist company and enquires whether he can possess land for tourism purposes.

Aimag, soum and district Citizens Representative Hurals and governors can resolve this issue on the basis of competitive tender.

#### Example 12

Gotov's private company owns big construction facilities. He asks if he can possess land under the constructions.

He can possess the land. But upon expiration of those possession rights and unless otherwise specified in laws or in the contract, the owner's rights of using the property on the given land expire too. Clearly, one should ponder carefully the period of the possession rights and consider the possibility of becoming the owner of the land.

#### Example 13

Damchaa moved to Ulaanbaatar from the countryside and purchased a fenced plot of land with a house on it, but during the 2003 land census the land was registered under the name of the previous possessor. What should he do now?

Until the old land license term expires, the possession rights in the name of the previous owner will be sustained, so there is a need to re-register this land for ownership under own name.

#### Example 14

Guntev possesses shares in a business entity that has 10 thousand hectares of agricultural land. Does he have rights to possess the land in proportion to his shareholding?

The government determined that the maximum amount

of agricultural land that can be allocated for possession to a business entity is 3000 hectares. The land is given for possession to the business entity, but not to an individual. On the other hand, if the individual qualifies for the group of people who have been employed in the agriculture sector and are thereby eligible for preferential allocation of land, then he can possess up to 100 ha land for crop production and up to 5 ha land for vegetable growing.

#### Example 15

**Bold** lives in an apartment house. He asks whether he can apply for land for building private house.

He can request land for ownership in the area which has been set aside for allocating to citizens for ownership.

#### Example 16

**Nyam** did reforestation works in an area destroyed by fires. He hopes to become the possessor of this land.

Forests planted by the means of personal resources can be allocated to the investor for possession on the basis of preferential rights.

#### Example 17

**Ayur** requested possession of land in order to build a private house. But he has not heard about his claim for a long time, and was wondering whether he should submit another request.

Before filing a new request, he should check, out about the reasons the first request was not answered on the basis of the receipt document given when he first submitted his request.

#### Example 18

**Surenjav** wants to know the meaning of certifying the land possession rights license.

This means registering the license with the immovable property registry and receiving a certificate on the basis of an aimag, soum, or district governor's decision.

## Attachment 2.

# Sample Forms for Contracts, Applications, Receipts and Communications

### SAMPLE

Attachment 1 of Decree # \_\_ of the Head of the Administration of Land Affairs, Geodesy and Cartography  
State Registration Number \_\_\_\_\_

### CONTRACT TO GRANT LAND FOR POSSESSION TO CITIZENS AND LEGAL ENTITIES

Date: \_\_ yy \_\_ mm \_\_ dd \_\_\_\_\_ aimag, city, soum

#### One. Common Conditions

On the basis of the Law of Mongolia on Land and Resolution # \_\_ of the Governor of \_\_\_\_\_ aimag (Ulaanbaatar) \_\_\_\_\_ soum (district) of \_\_\_\_ (yy) \_\_\_\_ (mm) \_\_\_\_ (dd), this contract is made between land administration officer \_\_\_\_\_ (surname) \_\_\_\_\_ (name) on behalf of the authority granting land possession and \_\_\_\_\_ (surname) \_\_\_\_\_ (name) employed at / \_\_\_\_\_ / on behalf of land possessor.

The following items shall be included in the contract as an integral part; and should these be not fully included, it shall be a basis for voiding the contract:

1. The cadastral map showing location, size, borders and boundaries of the land;
2. Records of the process of handing over the land from grantor of possession to possessor; and
3. Document proving that the state certification of land status and quality has been carried out in compliance with the Government of Mongolia Resolution #28 of 2003.



## Two. Terms of Contract

2.1. Total size of land allocated for possession to the possessor is \_\_\_\_\_ hectares. Of this:

Purpose of possession of a given part of the unit field	Size of land to be possess for given purpose
1. _____	_____ /ha/
2. _____	_____ /ha/
3. _____	_____ /ha/
4. _____	_____ /ha/

2.2. Amount land fees of

Unit fee \_\_\_\_\_ tugrugs /in written: \_\_\_\_\_ /  
Total fee \_\_\_\_\_ tugrugs /in written: \_\_\_\_\_ /

This amount is comprised of:

1st quarter \_\_\_\_\_ tugrugs      3rd quarter \_\_\_\_\_ tugrugs  
2nd quarter \_\_\_\_\_ tugrugs      4th quarter \_\_\_\_\_ tugrugs

2.3. Land fee shall be transferred before 25th day of the first month of each quarter to the bank account of the grantor of land for possession \_\_\_\_\_ .  
/Bank branch name, account number/

2.4. Land fee payment period shall be counted from the day the authorized governor's resolution to grant land for possession is made.

2.5. The contract shall be amended in case if a respective authority amends the amount of land fees. If the land fee is not amended in the contract, the land possessor shall be responsible for the relevant expenses.

## Three. Rights and Responsibilities of Land Possessor

- 3.1. possess and use the land in accordance with the provisions of the contract;
- 3.2. have the state certification of land quality and status done by the owner of the land;
- 3.3. ensure persons who caused harm to the land reimburse for the losses in compliance with respective legislation;
- 3.4. have possession license extended upon expiration of the initial possession rights license if all responsibilities under the contract have been fulfilled;

- 3.5. pay land fees according to the schedule regardless of whether land was used during the respective period or not;
- 3.6. pay penalty 0.5 percent of the balance per day for missed payments;
- 3.7. obtain permission of an authorized governor and register with the state registry, should the possessor grant parts of or all of the land possessed for use to others;
- 3.8. timely fulfill requirements of the grantor of possession regarding land use and possession;
- 3.9. other rights, duties and responsibilities provisioned by relevant legislation.

**Four. Rights and Responsibilities of Grantor of Possession of Land**

- 4.1. monitor whether the possessor of land is possessing the land in compliance with the contract;
- 4.2. besides granting the given land to the possessor, the grantor has the rights to require the following items from the possessor:

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- 4.3. terminate the contract and require reimbursements from the possessor, as specified in Article 62 of the Law on Land, should the land be possessed in breach of the conditions set forth in the contract, and related requirements were not met, or conditions specified by provision 40.1.1.- 40.1.6 of the above law arise;
- 4.4. review the land possession contract on an annual basis;
- 4.5. other rights, duties and responsibilities provided by relevant legislation.

**Five. Some Property Rights Regulations Regarding Land**

- 5.1. Should the immovable property owned by the land possessor and located at the given land be transferred to the ownership of another person, the issue will be decided as follows:

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- 5.2. When land possession rights or contract terms expire, issues related to the buildings and other property on that land will be resolved as it is specified in the initial decision to grant those rights, and if there is no such specification, the issue will be resolved the following way.

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5.3. If there is a limited use of the land possessed under this contract, or if such use is required, the conditions and terms for the use of the land are as follows: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

If necessary, a separate appendix can be attached to this contract.

5.4. Should an authorized entity replace or revoke part of or all the land of the possessor with compensation for the purposes of state special needs before the expiry of the contract, the issue should be resolved by prior agreement of the parties that such decision would base upon, and other relevant legislative acts.

5.5. Other conditions considered necessary by the contract parties: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

### Six. Other Items

6.1. The contract will come into force from the day the land is handed over to the possessor by keeping record of this process, and the authorized governor issued a land possession rights license.

6.2. This contract is made in two copies and is effective for \_\_\_\_\_/in written/ year period starting on the day parties sign underneath.

6.3. Other issues related to this contract are to be resolved by relevant legal acts of Mongolia.

#### Official address and contact telephone numbers of the parties to this contract:

Grantor of the Land for Possession: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Land Possessor: \_\_\_\_\_

Registration /state registry/ number 

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Bank account # \_\_\_\_\_

Contact tel. \_\_\_\_\_

**CONTRACT IS CONCLUDED BY:**

On behalf of the grantor of the land: _____ aimag/Ulaanbaatar/ _____ soum /district/ land administration officer _____ surname _____ name /signature/ _____ /seal/	On behalf of the land possessor: _____ _____ _____ _____ /signature/ _____ /seal/
---	--

A copy of this contract is stored in the personal file of the unit field # \_\_\_\_\_.

**SAMPLE**

Attachment 2 of Decree # \_\_ of the Head of the Administration of Land Affairs, Geodesy and Cartography  
State Registration Number \_\_\_\_\_

**CONTRACT TO GRANT LAND FOR USE TO FOREIGN  
CITIZENS AND FOREIGN INVESTMENT BUSINESS ENTITIES**

Date: \_\_ yy \_\_ mm \_\_ dd \_\_\_\_\_ aimag, city, soum

**One. Common Conditions**

On the basis of the Law of Mongolia on Land and decision # \_\_\_\_\_ of the Governor of \_\_\_\_\_ aimag (Ulaanbaatar) \_\_\_\_\_ soum (district) of \_\_\_\_\_ (yy) \_\_\_\_ (mm) \_\_\_\_ (dd), this contract is made between land administration officer \_\_\_\_\_ (surname) \_\_\_\_\_ (name) on behalf of the land owner and \_\_\_\_\_ (surname) \_\_\_\_\_ (name) employed at / \_\_\_\_\_ / on behalf of land user.  
/name of the citizen or business entity/

The following items shall be included in the contract as an integral part and should these be not fully included, it shall be a basis for voiding the contract:

1. The cadastral map showing the location, size, borders and boundaries'
2. Records of process of handing over the land from the land owner to the user; and
3. Document proving that the state certification of land status and quality has been carried out in compliance with relevant procedures.

## Two. Terms of Contract

2.1. Total size of the land allocated for possession to the possessor is \_\_\_\_\_ hectares. Of this:

Purpose of possession of a given part of the unit field	Size of the land to be possessed for a given purpose
1. _____	_____ /ha/
2. _____	_____ /ha/
3. _____	_____ /ha/
4. _____	_____ /ha/

### 2.2. Land fee amount

Unit fee \_\_\_\_\_ tugrugs /in written: \_\_\_\_\_ /  
Total fee \_\_\_\_\_ tugrugs /in written: \_\_\_\_\_ /

This amount is comprised of:

1st quarter \_\_\_\_\_ tugrugs      3rd quarter \_\_\_\_\_ tugrugs  
2nd quarter \_\_\_\_\_ tugrugs      4th quarter \_\_\_\_\_ tugrugs

2.3. Land fee shall be transferred before 25th day of the first month of each quarter to the bank account of the grantor of land for possession \_\_\_\_\_ .  
/Bank branch name, account number/

2.4. Land fee payment period shall be counted from the day the authorized governor's resolution to grant land for possession is made.

2.5. The contract shall be amended in case if a respective authority amends the amount of land fees. If land fee was not amended in the contract, the land possessor shall be responsible for relevant expenses.

## Three. Rights and Responsibilities of Land User

- 3.1. use the land in accordance with provisions of the contract;
- 3.2. have the state certification of land quality and status done by the owner of the land;
- 3.3. have possession license extended upon expiration of the initial use rights license if all responsibilities under the contract agreement have been fulfilled;
- 3.4. pay land fees according to the schedule regardless of whether some useful properties of the land were used during the respective period or not;

- 3.5. pay penalty 0.5 percent of the balance of per day for missed payments;
- 3.6. timely fulfill requirements of the owner of the land regarding land use;
- 3.7. other rights, duties and responsibilities provisioned by relevant legislation.

**Four. Rights and Responsibilities of Grantor of Use of Land**

- 4.1. monitor whether the land is being used in compliance with the contract;
- 4.2. besides granting the given land to the user, the grantor has the rights to require the following items from the user:

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- 4.3. terminate the contract and require reimbursements from the user, as specified in Article 62 of the Law on Land, should the land be used in breach of the requirements specified by provisions 35.3.1.- 35.3.6. of the above law and related demands were not fulfilled;
- 4.4. review the land use contract on an annual basis;
- 4.5. other rights, duties and responsibilities provided by respective legislation.

**Five. Some Property Rights Regulations Regarding Land**

- 5.1. Should the immovable property owned by the land user and located at the given land be transferred to ownership of another person, the issue will be decided as follows:

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- 5.2. If there is a limited use of the land used under this contract, or if such use is required, the conditions and terms for the use of the land are as follows: \_\_\_\_\_

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\_\_\_\_\_. If necessary, a separate appendix can be attached to this contract.

- 5.3. Other conditions considered necessary by the contract parties: \_\_\_\_\_

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5.4. Should an authorized entity replace or revoke parts of or all land of the possessor with compensation for purposes of state special needs before the expiry of the contract, the issue should be resolved by prior agreement of the parties that such decision would base upon, and other relevant legislative acts.

5.5. Other conditions considered necessary by the contract parties: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

### Six. Other Items

6.1. The contract will come into force from the day the land is handed over to the user by taking record of the process and the authorized governor issued a land use rights certificate.

6.2. This contract is made in two copies and is effective for \_\_\_\_\_/in written/ year period starting on the day parties sign underneath.

6.3. Other issues related to this contract are to be resolved by relevant legislative acts of Mongolia.

#### Official address and contact telephone numbers of the parties to this contract:

Grantor of the Land for Possession: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Land Possessor: \_\_\_\_\_

Registration /state registry/ number 

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Bank account # \_\_\_\_\_

Contact tel. \_\_\_\_\_

#### CONTRACT IS CONCLUDED BY:

On behalf of the grantor of the land:

\_\_\_\_\_ aimag/Ulaanbaatar/  
\_\_\_\_\_ soum /district/  
land administration officer  
\_\_\_\_\_ surname \_\_\_\_\_ name  
/signature/ \_\_\_\_\_ /seal/

On behalf of the land possessor:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
/signature/ \_\_\_\_\_ /seal/

A copy of this contract is stored in the personal file of the unit field # \_\_\_\_\_.



**SAMPLE**

Attachment 3 of Decree # \_\_ of the Head of the Administration of Land Affairs, Geodesy and Cartography  
State Registration Number \_\_\_\_\_

**APPLICATION REQUESTING LAND OWNERSHIP FOR THE FAMILY NEEDS  
PURPOSES BY A CITIZEN OF MONGOLIA**

To the attention of \_\_\_\_\_ aimag, Ulaanbaatar \_\_\_\_\_ soum land officer, district land office

1. Applicant: Surname \_\_\_\_\_ Father's /mother's/ name \_\_\_\_\_  
Name \_\_\_\_\_ Citizen ID number \_\_\_\_\_

Registration number: 

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2. Born in: aimag and city \_\_\_\_\_ soum, district \_\_\_\_\_

3. Place of Birth \_\_\_\_\_ 4. Nationality \_\_\_\_\_

5. Address of residency place \_\_\_\_\_

Telephone number /office/ \_\_\_\_\_ /home/ \_\_\_\_\_ /cell phone/ \_\_\_\_\_

6. Administrative and territorial unit location of the land applied for \_\_\_\_\_

7. Whether applicant possessed the land requested for ownership: \_\_\_\_\_

8. Total size of land:  
Length \_\_\_\_\_ m Width \_\_\_\_\_ m Area \_\_\_\_\_ sq.m /ha/

(Please make note here if the area's shape is not a right geometric figure)

9. Family members

#	Name and Father's Name	Relation to the Land Owner	Date of Birth	Citizen ID and Certificate Number	Registry Number	Signature
1.						
2.						
3.						
4.						
5.						
6.						

/Every member above 18 shall sign. If necessary this part can be written on a separate sheet and appended. /

10. The following documents must be appended according to Article 20 of the Law on Allocation of Land to Citizens of Mongolia for Ownership:

- a/ Notarized copy of birth certificates of family all members under 16 years of age;
- b/ Letter by the Governor of a given bag or horoo (or village governor) on the status of the family;
- c/ If the applicant possesses the land in accordance with the Law on Land, notarized copies of land possession rights license and land possession contract;
- d/ Descriptive map of the location and size of the requested land (if the land is to be owned jointly with others, the size, location and borders of the land to be owned by each owner);

\_\_\_\_\_ pages of documents are attached to this application.

Application Recipient:

Applicant:

\_\_\_\_\_ aimag/Ulaanbaatar/

\_\_\_\_\_

\_\_\_\_\_ soum /district/

\_\_\_\_\_

land administration officer

\_\_\_\_\_

\_\_\_\_\_ surname \_\_\_\_\_ name

\_\_\_\_\_

/signature/ \_\_\_\_\_ /seal/

/signature/ \_\_\_\_\_ /seal/

Date: \_\_\_\_ (yyyy) \_\_\_\_ (mm) \_\_\_\_ (dd)

**SAMPLE**

Attachment 4 of Decree # \_\_ of the Head of the Administration of Land Affairs, Geodesy and Cartography  
State Registration Number \_\_\_\_\_

**APPLICATION REQUESTING LAND OWNERSHIP FOR THE PURPOSE OF  
CONDUCTION OF ECONOMIC ACTIVITIES BY A CITIZEN OF MONGOLIA**

To the attention of \_\_\_\_\_ aimag, Ulaanbaatar \_\_\_\_\_ soum land  
officer, district land office

1. Applicant: Surname \_\_\_\_\_ Father's /mother's/ name \_\_\_\_\_  
Name \_\_\_\_\_ Citizen ID number \_\_\_\_\_

Registration number:

2. Born in: Aimag and city \_\_\_\_\_ soum, district \_\_\_\_\_

3. Place of Birth \_\_\_\_\_ 4. Nationality \_\_\_\_\_

5. Address of residency place \_\_\_\_\_

Telephone number /office/ \_\_\_\_\_ /home/ \_\_\_\_\_ /cell phone/ \_\_\_\_\_

6. Administrative and territorial unit location of the land requested for ownership \_\_\_\_\_

7. Whether applicant possessed the land requested for ownership: \_\_\_\_\_

8. Total size of land:

Length \_\_\_\_\_ m Width \_\_\_\_\_ m Area \_\_\_\_\_ sq.m /ha/

(Please make note here if the shape of the area is not a right geometric figure)

9. Family members

#	Name and Father's Name	Relation to the Land Owner	Date of Birth	Citizen ID and Certificate Number	Registry Number	Signature
1.						
2.						
3.						
4.						
5.						
6.						

/Every member above 18 shall sign. If necessary this part can be written on a separate sheet and appended. /

10. The following documents must be appended according to Article 20 of the Law on Allocation of Land to Citizens of Mongolia for Ownership:

- a/ Notarized copy of birth certificate of family members under 16 years of age;
- b/ Letter by the Governor of a given bag or horoo (or village governor) on the status of the family;
- c/ If the applicant possesses the land in accordance with the Law on Land, notarized copies of land possession rights license and land possession contract;
- d/ Descriptive map of the location and size of the requested land (if the land is to be owned jointly with others, the size, location and borders of the land to be owned by each owner);

\_\_\_\_\_ pages of documents are attached to this application.

Application Recipient:

Applicant:

\_\_\_\_\_ aimag/Ulaanbaatar/  
\_\_\_\_\_ soum /district/  
land administration officer  
\_\_\_\_\_ surname \_\_\_\_\_ name  
/signature/ \_\_\_\_\_ /seal/

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
/signature/ \_\_\_\_\_ /seal/

Date: \_\_\_\_ (yyyy) \_\_\_\_ (mm) \_\_\_\_ (dd)

**SAMPLE**

Attachment 6 of Decree # \_\_ of the Head of the Administration of Land Affairs, Geodesy and  
Cartography State Registration Number \_\_\_\_\_

**APPLICATION REQUESTING LAND  
POSSESSION BY A LEGAL ENTITY**

To the attention of \_\_\_\_\_ aimag, Ulaanbaatar \_\_\_\_\_ soum land  
officer, district land office

Official name of the legal entity \_\_\_\_\_

Legal entity state registration certificate number \_\_\_\_\_

Legal entity state registration

registry number 

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Address \_\_\_\_\_

Contact telephone number \_\_\_\_\_

Administrative and territorial unit location of the land requested for possession \_\_\_\_\_

Total size of the land for possession \_\_\_\_\_ (sq.m) (ha)

(Please write in the size of the area and circle respective measurement unit.)

Purpose of land possession \_\_\_\_\_

Period requested for possession \_\_\_\_\_

If a citizen and a legal entity is to co-possess the land, the co-possessor's:

#	Surname	Father /mother/'s Name	Name	Citizen ID Number	Registry Number	Size of the field to possess (ha)
	Legal entity name		State registration certificate number	State Registration Registry Number		Size of the field to possess (ha)

1. Regardless of whether the co-possessor is a citizen or a legal entity, attach notarized copies of co-possessor's identification documents in accordance with the information specified in the above table;
2. Attach a descriptive map of the location, size, boundaries and unit fields of the land requested;

3. If conditions specified in the provisions 5 and 6 of Article 27 of the Law on Land are met, reflect these in the application.

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Application Recipient:

Applicant:

\_\_\_\_\_ aimag/Ulaanbaatar/  
\_\_\_\_\_ soum /district/  
land administration officer  
\_\_\_\_\_ surname \_\_\_\_\_ name  
/signature/ \_\_\_\_\_ /seal/

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
/signature/ \_\_\_\_\_ /seal/

Date: \_\_\_\_ (yyyy) \_\_\_\_ (mm) \_\_\_\_ (dd)



**SAMPLE**

Attachment 8 of Decree # \_\_ of the Head of the Administration of Land Affairs, Geodesy and Cartography

**CERTIFICATE OF RECEIPT OF LAND POSSESSION, USE AND OWNERSHIP REQUEST APPLICATIONS**

Surname \_\_\_\_\_ Father's (mother's) name \_\_\_\_\_ Name \_\_\_\_\_  
\_\_\_\_\_ 's application requesting land /possession, use, ownership/  
/select one /  
and consisting of \_\_\_\_\_ pages is recorded in the registry book under # \_\_\_\_\_  
and received on 20 \_\_\_\_\_ (yy) \_\_\_\_\_ (mm) \_\_\_\_\_ (dd) \_\_\_\_\_ (hh) \_\_\_\_\_ (mm)  
by \_\_\_\_\_ /aimag, Ulaanbaatar, soum district/ \_\_\_\_\_  
\_\_\_\_\_ surname, name \_\_\_\_\_.

/signature/ \_\_\_\_\_

**seal/stamp/**

**CERTIFICATE OF RECEIPT OF LAND POSSESSION, USE AND OWNERSHIP REQUEST APPLICATIONS**

Surname \_\_\_\_\_ Father's (mother's) name \_\_\_\_\_ Name \_\_\_\_\_  
\_\_\_\_\_ 's application requesting land /possession, use, ownership/  
/select one /  
and consisting of \_\_\_\_\_ pages is recorded in the registry book under # \_\_\_\_\_  
and received on 20 \_\_\_\_\_ (yy) \_\_\_\_\_ (mm) \_\_\_\_\_ (dd) \_\_\_\_\_ (hh) \_\_\_\_\_ (mm)  
by \_\_\_\_\_ /aimag, Ulaanbaatar, soum district/ \_\_\_\_\_  
\_\_\_\_\_ surname, name \_\_\_\_\_.

/signature/ \_\_\_\_\_

**seal/stamp/**



**SAMPLE**

Attachment 8 of Decree # \_\_ of the Head of the Administration of Land Affairs, Geodesy and Cartography

**RESPONSE STATEMENT**

Surname \_\_\_\_\_ Father (mother)'s name \_\_\_\_\_  
Name \_\_\_\_\_'s request application recorded in the registry book  
under # \_\_\_\_\_ and containing \_\_\_\_\_ pages was received and reviewed and on the basis  
of \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

your application is rejected.

\_\_\_\_\_ aimag /Ulaanbaatar/ \_\_\_\_\_ soum /district/ officer in charge of  
land affairs \_\_\_\_\_ surname \_\_\_\_\_ name

/signature/ \_\_\_\_\_ seal/stamp/

20\_\_ (yy) \_\_\_\_ (mm) \_\_\_\_ (dd)

## Appendix 3.

### Service Fees

Attachment to the Government Resolution #205 of 2003

#### **AMOUNT OF FEES PAYABLE FOR ISSUANCE, TRANSFER TO OTHERS, AND EXTENTION OF LICENSES FOR LAND POSSESSION AND USE**

1. Amounts of fees payable for newly issuing land possession and use licenses to citizens, business entities, and organizations:

Type of Service	Classification	Fee amount (MNT)	
		Citizens	Business entities and organizations
Land possession license issuance	Capital city	10000	35000
	Aimag center soums	5000	10000
	Other soums	3000	5000
Land use license issuance	Foreign investment business entity	35000	
	Foreign citizens and stateless persons	10000	

Note: Citizens, business entities, and organizations shall be liable to pay 1.5 times the above amounts for re-issuance of the land possession and use certificates in case of loss.

2. Amounts of fees payable by citizens, business entities, and organizations for transferring land possession licenses to others:

Service type	Classification	Fee amount (MNT)	
		Citizens	Business entities and organizations
Transfer to others of land possession rights license	Capital city	10000	35000
	Aimag center soums	5000	10000
	Other soums	3000	5000

3. Amounts of fees payable by citizens, business entities and organizations for extending land possession and use licenses:

Service type	Fee amount (MNT)	
	Extension of land possession licenses	Citizens
3000		6000
Extension of land use license	Foreign citizens and stateless individuals	Foreign investment business entities
	5000	10000

4. Amounts of fees collectable for providing citizens, business entities, and organizations with land archive inquiries and photo information:

Service type	Classification		Fee amount (MNT)
Land archive inquiry and photo information service	Provision of archive inquiry (1 page)	Copy of decree	200
		Certification scheme	1000
	Photo information service (per land unit)		2500

## Appendix 4.

### Brief Directory

Citizens can call the following numbers to inquire about information or clarifications related to land relations.

#### LAND OFFICES IN ULAANBAATAR

#	Names	Official titles	Office Phone Numbers
<i>Ulaanbaatar Land Office</i>			
1.	B. Tumurhuyag	Head of Land Office	324006
2.	V. Purevsuren	Deputy Head	325043
3.	L. Ganbaatar	Deputy Head	329248
5.	Ts. Sandui	Head of Cadastre Division	329248
6.	E. Ariungerel	Head of Land Ownership Division	315484
7.	D. Dashtsetseg	Head of Land fees Division	329248
8.	B. Chuluuntsetseg	Head of Land Information Database Division	315664
9.	D. Tsolmon	Legal Advisor	-
<i>District Land Offices</i>			
1.	N. Batjargal, Head Officers	Bayanzurh District	450020
			456369
2.	B. Magsarjav Officers	Bayangol District	360416
			368341, 368461
3.	A. Amarsaihan Officers	Suhbaatar District	310762
			313567
4.	B. Nyamdavaa Officers	Songinohairhan District	633157
			632831
5.	D. Baatarjav	Han-Uul District	344927
6.	B. Purevsuren Officers	Chingeltei District	319857
			321224
7.	G. Enhtsetseg	Nalaih District	0123 22046
8.	Bujinlham	Baganuur District	0121 21472
9.	Ts. Lhamsuren	Bagahangai District	-

## AIMAG LAND OFFICES

#	Names	Aimag	Office Phone Numbers
1.	Ts. Dorjdagva	Arkhangai	Tel/Fax: 01332 21223
2.	N. Sayasi	Bayan-Ulgii	Tel/Fax: 01422 22146 Officer: 21429 State Registrar: 23484
3.	L. Mandal	Bayanhongor	Tel/Fax: 01442 22927
4.	D. Tserendorj	Bulgan	Fax: 01342 22250 Officer: 22409 22360
5.	L. Tuvd	Govi-Altai	01482 24955 Officer: 01482 23518 Accountant: 23316
6.	Ts. Danzansodov	Govisumber	Tel: 01542 23387 Officer: 23274
7.	Z. Munhbat	Darkhan-Uul	Tel/Fax: 01372 23770 33788
8.	D. Damdinbazar	Dornod	Tel: 01582 22501
9.	T. Borgil	Dornogovi	Tel: 01522 22576
10.	T. Bazardar	Dundgovi	Tel: 01592 22555
11.	L. Bandi	Zavhan	Tel/Fax: 01462 22434 01462 21136 Officer: 22260
12.	L. Bayandalai	Orhon	Tel: 01352 22609
13.	Ts. Tserennyam	Uvurkhangai	Tel/Fax: 01322 23720 Officer: 22550
14.	P. Zoljargal	Umnugovi	Tel/Fax: 01532 22917
15.	G. Gombosuren	Suhbaatar	Tel: 01512 21673 Fax: 01512 21605
16.	Ya. Gursuren	Selenge	Tel/Fax: 01362 23800 State Registrar: 23887
17.	Ts. Butemj	Tuv	Tel: 01272 22262 01272 22192
18.	Z. Ganbold	Uvs	Tel: 01452 22724 01452 23391 State Registrar Fax: 22244 22002
19.	Ch. Baatarjav	Hovd	Tel: 01432 24019 Officer: 24020 State Registrar: 22428
20.	L. Sharavjamts	Huvsgul	Tel: 01382 22255 01382 22132
21.	S. Baatarbold	Hentii	Fax: 01562 22008 Tel: 22160

## List of References

- Constitution of The People's Republic of Mongolia, 1960
- Constitution of Mongolia, 1991
- Minutes of People's Great Hural plenary session discussing land issues in relation to the new constitution
- Law on Land, 1995
- Law on Land, 2002
- Law on Allocation of Land for Ownership to Citizens of Mongolia, 2002
- Law on Procedures to Conform the Law on Allocation of Land for Ownership to Citizens of Mongolia
- Introduction, notes, opinions and critiques of MPs during discussion of Land Law and Law on Allocation of Land for Ownership to Citizens of Mongolia at the State Great Hural Sessions
- Procedures to conduct the state certification of the status and quality of land
- Procedures to prepare reports on Unified Land Fund
- Procedures to carry out land management
- Revocation and releasing land from state special needs
- Procedures to allocate agricultural land for possession with preferential rights
- Procedures to organize auctions for allocating land for ownership, possession and use
- Procedures for competitive tenders to allocate land for possession
- Maximum size of land to be allocated to business entities for production and service activities
- Statistical Yearbook of Mongolia, 2001
- Reports of the Ministry of Food and Agriculture and Ministry of Environment
- Other resources

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*Please send your opinion and comments about this handbook to  
Open Society Forum, Jamyun Gun street 5/1, Suhbaatar district,  
Ulaanbaatar-48, Mongolia.*

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*Please send your opinion and comments about this handbook to  
Open Society Forum, Jamyasurkh Street 5/1, Sukhbaatar district,  
Ulaanbaatar-48, Mongolia.*